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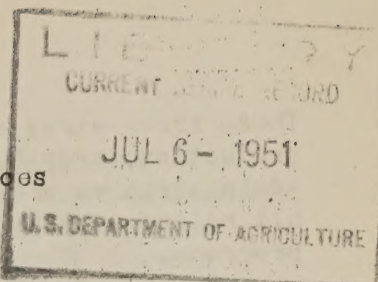
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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois



FOR ADMINISTRATIVE USE ONLY

January 8, 1951

MIDWEST INFORMATION SUMMARY

TO: PMA Offices, Midwest Area

FROM: John C. Baker, Chief, Midwest Area, Office of Information Services

THIS WEEK'S SPOTLIGHT

Teletype Section - Administrative Services

Our spotlight today is focused on one of the smallest, yet one of the most vital operations in the Midwest PMA organization; one that might be termed the "nerve center" of PMA activities. It's the Teletype Section of Administrative Services, housed in a soundproofed office in the southeast corner of the 7th floor at 623 South Wabash.

Here M. R. Kegriss and his assistant Ray Klinoski, supervise the sending and receiving of more than a thousand messages every day over a battery of five teletype sending and receiving machines. These communications range from ten to five thousand words -- from a single line to copy six feet long. Keeping the machines serviced requires all the attention of "Keg", "Ray", operator Victor Karg, and two clerks.

The teletype equipment is leased from American Telephone and Telegraph Company and the Bell Telephone Company to handle the wire traffic over four special leased wires which carry PMA's daily official communications from and to every part of the United States.

Three of the leased wires are devoted to market news reports from producer areas and terminal markets. Another wire handles only regular communications between CCC in Washington and PMA Commodity offices in Chicago, Minneapolis, Kansas City, and the West Coast. A fifth machine which is tied to Western Union outlets makes it possible to refile communications to business firms and USDA offices in cities, towns, and villages where the agency has no teletype receiving equipment.

Market news reports handled by the Chicago Wire Room cover livestock range and terminal markets, and wholesale meat price reports, grain market quotations, dairy and poultry prices at receiving markets, terminals, and wholesale markets, and production reports, producer and terminal market prices of fresh and frozen fruits and vegetables from every section of the country.

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These three wires also carry routine reports from Washington covering crop production, crop forecasts, important policy announcements by the Secretary, administrative orders for transmission to regional and state offices and all releases by the Office of Information Services covering PMA actions and programs.

Another huge volume is carried by the wire which services PMA Commodity Offices. The traffic over this wire encompasses every phase of CCC operations from administrative actions and orders, CCC commodity prices, announcements of intention to purchase, acceptances of offers, reports of price support operations, and a hundred other actions. The compact setup of the Chicago office makes it possible to take many of these wires, such as acceptances and offers to buy, from CCC to business firms, and to refile them on the Western Union "ASR" for transmission by the telegraph company to processors in any part of the Nation.

Every day is a busy day in the wire room. Transmission of the messages on schedule is of vital importance to producer, trade, and the government. Farmers throughout the nation depend on market news reports of production and prices via radio and their newspapers to determine the marketing of their products. The trade accepts the PMA market news reports issued from the wire room and carried by wire services to radio and the press as the "bible" on which thousands of important business transactions are based every day. The same holds true for the CCC wire service.

Operation of the Wire Room at one hundred per cent efficiency is important and vital. Equipment is maintained at top efficiency at all times by special service-men from A.T.&T., but every precaution is taken to maintain the service at all time. Two receiving and sending machines are maintained in reserve, hooked to batteries in case of a break in the power, to insure operation of the Wire Room at all times.

#### ON THE CALENDAR

Tuesday, January 9-10	Des Moines - State PMA meeting, Iowa Committeemen
January 9-12	Chicago - National Council of Farmer Cooperatives
Wednesday, January 10	Gallipolis, Ohio. Hearing on milk prices.
	Tri-State Order
	Chicago - Commodity Office meeting with State Committeemen
Monday, January 15	Minneapolis - North Central Potato Committee
January 15-17	Fargo - North Dakota Poultry Industries meeting show
January 15-18	Chicago - National Landscape Nurserymen's Assoc.
Wednesday, January 17	Chicago - Corn meeting - 11-state PMA committeemen
Thursday, January 18-21	Chicago - American Seed Trade Association
Monday, January 22	Chicago - Hearing on merger of Chicago, Suburban Chicago, Rockford-Freeport milk market areas.



## COMMODITY OFFICE

Sales policy on CCC-held grain is expected to be the major topic at a meeting of state committee representatives from the 11 Midwestern states on Wednesday, January 17, in Chicago. The meeting was called by Assistant Administrator and will be attended by PMA staff members from Washington, area Commodity offices, and the state offices. Congress Hotel is the meeting place.

\* \* \*

Representatives of the five states serviced by the Chicago area Commodity office will be in Chicago on Wednesday, January 10, to discuss general operating problems, with Director George Bradley and Assistant Director Marvin Smith.

## OFFICE OF COMPLIANCE AND INVESTIGATION

An indictment was returned in the U. S. District Court for South Dakota against Oscar Jager charging that he willfully disposed of 395 bushels of wheat mortgaged to the United States as security for an obligation and did not apply the proceeds - \$752.32 to the indebtedness secured by the mortgage.

## COTTON BRANCH

Prices for Middling 15/16 inch cotton averaged 43.87 cents per pound in the 10 spot markets on Thursday, January 4. A week earlier this price was 43.3, as compared with 30.86 a year ago. Sales in the 10 spot markets totaled 136,200 bales compared with 92,100 last week and 186,300 in the corresponding week a year ago.

Demand for textiles remained strong and prices are the highest in more than 2-1/2 years.

World supply of cotton is likely to total about 43.5 million bales in the 1950-51 season. World carryover on August 1, 1950 was 16.5 million bales and 1950-51 world production is estimated at 27 million bales.

## DAIRY BRANCH

Possible merger of Chicago, Chicago suburban, and Rockford-Freeport marketing areas into one area is under consideration. A public hearing at which producers, distributors, and consumers may express their opinions has been set for January 22 at the Palmer House, Chicago. The hearing will start at 10 A.M.

\* \* \*

Butter advanced 1 to 2-1/4 cents per pound at major markets last week as a tight supply situation forced heavy reliance on storage stocks. Late sales were made up to 72-3/4 cents per pound at Chicago.

\* \* \*

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DAIRY BRANCH (Cont'd)

USDA's intention to purchase about 4.5 million pounds of American processed cheese for use in the National School Lunch Program was announced last week. The cheese must be packed in 5-pound loaves for delivery not later than March 2.

Several actions dealing with Federal milk marketing orders were announced recently.

1. Approval given to six proposed changes in the Duluth-Superior Federal order, to become effective subject to producer approval.
2. Amendment of Duluth-Superior order announced, making the six changes in the order following producer approval.
3. Amendment of Kansas City order announced, making five changes effective.
4. Public hearing on Tri-State (Kentucky-Ohio-West Virginia) Federal order called for January 10.
5. Public hearing on Cincinnati, Ohio, Federal order called for January 8.
6. Final approval given to the issuance of Federal orders to regulate the handling of milk in the Southern Illinois and Suburban St. Louis milk marketing areas.

\* \* \*

Price Support Purchases and Sales, through December 29:  
(Figures in Pounds)

Product	Purchases Dec. 25-29	Total 1950 Purchases 1/	1949-50 Purchases Unsold as of Dec. 29
Butter A	none	84,125,815	
Butter B	none	43,819,818	
Butter C	none	none	
Total	none	127,945,633	46,500,000 2/
Cheese	none	108,904,077	14,500,000 2/
Spray milk			
solids	60,075	257,197,068	
Roller milk			
solids	none	94,296,984	
Total	60,075	351,494,052	203,700,000

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DAIRY BRANCH (Cont'd)

Product	Sales to Trade Wk. End. Dec. 29	1950 Sales to Domestic Trade 1/
Butter A	4,372,852	61,015,526
Butter B	3,651,156	42,565,818
Butter C	24,402	5,137,104
Total	<u>8,048,410</u>	<u>108,718,448</u>
Cheese A	3,783,829	22,330,799
Cheese B	63,748	1,606,558
Cheese C	none	415,921
Total	<u>3,847,577</u>	<u>24,353,278</u>
Spray milk solids	776,507	12,828,307
Roller milk solids	703,310	17,033,576
Total	<u>1,479,817</u>	<u>29,861,883</u>
Animal Feed		
Spray	none	1,355,050
Roller	210,200	7,761,391
Total	<u>210,200</u>	<u>9,116,441</u>

1/ Adjusted for Contract Amendments

2/ Entire lot committed for sale

FATS AND OILS BRANCH

Fats and oils markets remain strong with the crude cottonseed oil market ranging between 21-3/4 cents and 22 cents, and the crude soybean oil steady at about 19-3/4 cents for January. Inedible tallow ranged between 16-1/4 cents and 16-3/4 cents.

A noticeable advance occurred in the linseed oil market during the latter part of the week with prices advancing to approximately 19.1 cents Minneapolis basis.

Reported sales of linseedoil by CCC during the period December 28, 1950-January 3, 1951 are as follows:

Sales for domestic use	-	141,000 pounds
Sales for export	-	1,598,000 pounds
Total sales		<u>1,739,000 pounds</u>



## FOOD DISTRIBUTION BRANCH

Experimental Program. The Branch will soon conduct a small experimental distribution program designed to test the utilization of the longer-cure smoked pork shoulder picnics, obtained as a Section 6 purchase, as compared with regular commercially cured smoked pork shoulder picnics. Chicago and Boston have been selected as the experimental points and the experiment is expected to provide information with respect to any food losses that might occur through soaking and par-boiling the longer cure product, differences in storage and handling problems, and the children's acceptance of the longercured picnics, as compared with the commercially cured picnics. In addition, the experience gained will be valuable in making determinations with respect to any future purchases that might be made of this product. Kay Sheehan of Washington visited Chicago last week to start this study.

\* \* \*

Canned Grapefruit Sections: Purchases of 4,809,000 pounds of canned grapefruit sections have been completed, all for distribution to schools participating in the National School Lunch Program. Allocations have been made to each of the five area offices of the Food Distribution Branch.

\* \* \*

Section 416 Only nonfat dry milk solids and potatoes remain available to private welfare agencies for the assistance of needy persons outside the United States. Cheese was removed from the Section 416 availability list on December 1, 1950; butter was removed on December 20; and dried eggs on December 28. Although Irish potatoes continue to be available, only a very small quantity has been ordered for foreign relief distribution.

\* \* \*

Oscar Beyer, area chief, is visiting North Dakota this week, making an administrative review of school lunch and direct distribution programs in that state.

Clair Underwood is making a similar review in the state of Michigan and Floyd Tuchscher in Wisconsin.

\* \* \*

John Janus has been detailed to Washington for the month of January to assist the national staff in allocations work.

\* \* \*

The Midwest area has been allocated 807 cars of apples, to be used for school lunch and institutional programs during the next three months.

## FRUIT AND VEGETABLE BRANCH

Representatives of several branches and offices of PMA will meet with the North Central Potato Committee in Minneapolis next Monday, January 15. Fruit and Vegetable Branch will be represented by R. E. Keller and E. L. Biddick, Compliance and Investigation by John Claggett, Information by John Baker. These offices all work closely with the Committee and its staff in carrying out the potato marketing program in six Midwestern states.

\* \* \*

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## FRUIT AND VEGETABLE BRANCH (Cont'd)

Purchase of 1950 crop Irish potatoes through January 2, 1951 totaled 23,450,116 hundredweight. Of this amount 6,199,076 hundredweight went to livestock feed; 1,549,599 to Section 416; 2,796,011 to starch; 130,702 to flour; 53,525 to penal institutions; 4,399 to experimental use; 147,700 to export; 40,799 to storage; and 12,528,305 to re-sale.

Apple purchases through December 30 totaled 215,327 bushels at a cost to the Government of \$538,317.

Export subsidy programs through December 30 stood at:

Apples, 922,343 boxes; \$1,135,592  
Pears, 390,078 boxes; \$487,597  
Fresh oranges, 51,137 boxes; \$84,376  
Fresh grapefruit, 53,190 boxes; \$53,190  
Single strength orange juice, 60,788 cases No. 2's; \$63,460  
Single strength grapefruit juice, 64,845 cases No. 2's; \$57,685  
Single strength blended juice, 10,780 cases No. 2's, \$10,635  
Grapefruit sections, 4,967 cases No. 2's; \$6,458  
Concentrated orange juice, 106,600 gallons; \$154,570  
Concentrated grapefruit juice, 31,920 gallons; \$36,708  
Honey, 10,831,453 pounds; \$487,415  
Honey diversion programs; 60,000 pounds; \$2,250  
Honey price support; 5,922,309 pounds; \$533,007

## GRAIN BRANCH

Acreage allotments for corn and wheat in 1951 were removed last Friday by Secretary Brannan, "because of the need for maximum production of these basic food and feed grains in the national emergency." Wheat will be supported at 90 per cent of parity on July 1 with \$1.99 as minimum price announced last August. Similar action was taken earlier on cotton, and the Secretary stated "It will be our policy to dispense with acreage allotments for any commodity if it appears that such action will result in larger increases in production of a commodity for which maximum production is desired."

\* \* \*

Grain markets made moderate to sharp advances during the past week. Wheat was moderately higher, while feed grains were up 2 to 5 cents per bushel. Oats and barley brought new highs for the season. Soybeans held steady, but flaxseed advanced 30 cents per bushel at Minneapolis.

\* \* \*

Officials point out that although year-end crop report boosted 1950 corn figure by 25 million bushels it is necessary to write off about 100 million bushels on account of reduced feeding quality of the grain. The Corn Belt Area where corn quality was affected by frost and other damage produced a total of about 625 million bushels. Allowing for low quality grain, the effective total supply of corn for 1950-51 (crop plus carryover) is 3,865 million bushels. Allowing for increased disappearance this year, the carryover next October may be less than 500 million bushels as compared with 859 million last October. Situation points up need for larger crop in 1951.



### LIVESTOCK BRANCH

Ignoring a weaker trend in dressed meat markets, livestock prices last week closed generally higher than a week earlier in the Midwest. Cattle gained 25 cents to \$1.00, hogs 25-50 cents, and lambs 50 cents to \$1.00 at most points. Vealers were \$4.00 higher at Indianapolis.

Prices were up to all-time high records of \$42.00 on vealers and \$33.75 on lambs. Meanwhile, cattle climbed to a top of \$40.00 which was only \$1.75 under the national all time high of \$41.75 in November and December 1949. Hogs sold up to an extreme peak of \$22.25, but this price still was far below the all time high top of \$32.50 in August, 1948.

### OFFICE OF PERSONNEL

Maurice Ward, Chief of the Office of Personnel, is attending the annual conference of Iowa PMA county committeemen at Des Moines, January 9 and 10.

John Hayes, Chief of the Employment Section, spent last Friday at the Milk Market Administrator's office completing personnel actions incident to the recent opening of the Milwaukee Milk Market Administrator's office. A new Order became effective there in December. He also met with the Milwaukee USDA Board of Examiners.

### POULTRY BRANCH

With all possible cancellations accounted for, total purchases of dried whole eggs under the 1950 price support program stand at 82,424,344 pounds, equivalent to about 8,240,000 cases of shell eggs.

Export sales were relatively heavy at 1,523,229 pounds this week, with total sales under this program now at 8,174,945 pounds.

\* \* \*

Chicago live poultry prices closed fairly steady last week. Heavy hens closed up to 33 cents on heavy hens, 24 cents on light hens, 34 cents on fair lots of roasters and 25 cents on commercial fryers.

Top grades of eggs lost 3 cents to 6 cents per dozen at Chicago last week, while lower grades closed steady to 3 cents under a week ago. Week's peak on large extra grade eggs was 51 cents compared with a closing top of 49 cents.



### STATE PMA MEETINGS

State-wide meetings of county PMA committees in the Midwestern states will be less numerous this year. Missouri and Illinois have cancelled plans for a meeting; Wisconsin will decide next month. Iowa's state meeting is being held Tuesday and Wednesday of this week in Des Moines; Ohio's meeting is scheduled for January 24-5, but the location has not been announced. North Dakota's committeemen will meet at Mandan on February 6 and 7; and South Dakota's meeting will be held on February 8 and 9.

### COMMODITY CREDIT CORPORATION

Administrator Trigg reported CCC had \$2,924,084,000 invested in commodities and loans, as of November 30; operating loss July-November was approximately \$100 million. Inventory included just under two billion dollars worth of commodities acquired through price support activities, and loans totaling \$928 million were accounted for principally by wheat, corn, and tobacco.





UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois

JUL 6 - 1951

FOR ADMINISTRATIVE USE ONLY

January 12, 1951

MIDWEST INFORMATION SUMMARY

TO: PMA Offices, Midwest Area

FROM: Vincent P. Freymann, Acting Chief, Midwest Area, Office of  
Information Services, Chicago

THIS WEEK'S SPOTLIGHT

Dairy and Poultry Inspection and Grading Division

One of the reasons that the U. S. is a nice place in which to live is the fact that we can eat all the dairy and poultry products we want to, with a maximum of satisfaction, because we know the products -- milk, butter, cheese, chicken, turkey, eggs -- in any and all forms they are served, are clean and wholesome.

We owe this added feature in the U. S. pattern of the "Fine Art of Living Well" in a large measure to PMA's Dairy and Poultry Inspection and Grading Services. These services, started more than 30 years ago by the Department of Agriculture in the interest of national health and at the request of the food processing and distributing trades, are operated on a voluntary basis and are self-supporting. That is, the cost of the services, salaries, etc., although generally paid by the Department, is made up from funds accumulated through fees paid by processors and business firms requesting the inspection and grading services. A large segment of the dairy and poultry industries takes advantage of these services because they insure the wholesomeness and, the salability of their products.

The Chicago area office for dairy and poultry inspection and grading is located in the New Post Office Building. Ed Small is Officer in Charge, and directs the work of 600 licensed graders in the area, which includes Illinois, Wisconsin, Indiana, Ohio, Michigan, West Virginia, Kentucky, and Tennessee. Ed also acts as the regional supervisor of the dairy inspectors and graders in this area. Working with him, as regional supervisor of the poultry graders, is Lawrence J. "Larry" Dolson.

Work of the graders and inspectors is to carry out the regulations covering sanitation in the processing plants, wholesomeness of the products, and to determine their quality on the basis of standards established by USDA. This quality is expressed in "Grades." All processing firms requesting the services whose plants meet sanitary and other USDA regulations are known as "Official," and they may market their products with the "U.S." grades on the labels or packages.

For example, butter graders and inspectors determine on the basis of sanitation if a dairy plant qualifies as "Official"; after this is established, they grade the products as "U.S. AA Grade" - "A," "B," "C," (all table grades), or "CG" (Cooking Grade). The "AA" is tops, the "C" is the lowest of the table-edible grades. Similar standards and grades are set up for cheese and powdered milk.

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Operation of the poultry grading and inspection service follows a similar pattern and chicken, turkeys, ducks, geese (ready-to-cook or New York dressed), shell and frozen eggs, are graded according to the standards of quality set up by USDA.

Not all of the 600 licensed inspectors and graders in the area are on the federal payroll. Probably two-thirds of the men receive their pay in the form of government checks, but some are paid by the states in which they work, and some are on company payrolls. The firms requesting inspection and grading pay for these services on a schedule of fees prescribed by the Secretary of Agriculture. As a general practice payment is made to USDA and the pay checks are then issued by the Department.

In the dairy inspection and grading work, some of the men work in terminal markets like Chicago, and in the market itself, while others are in travel status attached to the Chicago office. Other graders live in areas of heavy production and are at the call of processing plants, while some plants operate on a scale large enough to warrant continuous presence of an inspector and grader in their plant. The same situation holds true in large part for the poultry work.

As we noted earlier, the inspection and grading services are operated on a voluntary basis. There is one exception, however. That is the dairy and poultry products traded on the Chicago Mercantile Exchange. Every lot of butter, shell eggs, frozen eggs, poultry and turkeys traded on the Exchange must be graded by federal licensed graders to insure the grade of the commodity. Anyone trading on the Exchange who buys or sells a car of 92-score butter for example, is thus certain of acquiring or delivering butter of the quality traded in. This grading is mandatory under provisions of the Commodity Exchange Act.

More than 2,000 cars of shell eggs traded on the Exchange last year were graded by licensed USDA graders. In addition, many hundreds of cars of chickens and turkeys were inspected and graded by these PMA employees.

# ON THE CALENDAR

Tuesday, January 16-17	Fargo, North Dakota Poultry Industries
16-17	Indianapolis, Indiana Dairy Products Association
16-18	Chicago, National and Illinois Nurserymen's Assoc.
16-23	Wisconsin, PMA District Meetings on Farm Plans
Wednesday, January 17	Chicago, Congress Hotel. PMA Corn meeting 11 states, area, Washington
Thursday, January 18-22	Chicago, American Seed Trade Association
Monday, January 22	Chicago, Palmer House, Hearing on merger of milk market areas
January 22-24	Toledo, Ohio Dairy Products Association
Wednesday, January 24-25	Columbus, Ohio PMA meeting
January 24-25	E. Lansing, Michigan Veterinarians Conference
Thursday, January 25-27	Chicago, Poultry and Egg National Board
January 25-27	Illinois Veterinary Medical Association
Monday, January 29	Toledo, Hearing on new soybean grades
January 29-Feb. 2	E. Lansing, Michigan Farmers Week
January 29-Feb. 3	Kansas City, National Dairy Council



## OFFICE OF AUDIT

The Chicago Office of Audit moved from their headquarters at 623 South Wabash Avenue (7th floor) to the Fisher Building, Room 1810, 343 South Dearborn Street, Chicago 4, Monday, January 15. The telephone service will continue through the main board, WEBster 9-7000. Extension numbers 177 and 178 will reach Bob Wright, Auditor in Charge, and all employees except four internal auditors who will remain at 623 South Wabash Avenue on special assignment. They may be reached through Extension 179.

## COMMODITY OFFICE

PMA committeemen of 11 corn states will meet with representatives of area commodity offices and Washington branches in Chicago next Wednesday, January 17. Policies on storage and sale of grain now held by CCC will be principal topic on the agenda.

\* \* \*

State PMA officials from Ohio, Michigan, Indiana and Illinois met with Chicago PMA Commodity representatives January 10 to discuss state-CCC problems.

\* \* \*

A meeting of Michigan dry bean handlers and shippers, officers of the Chicago Commodity Office, and representatives of the Michigan State PMA Office, was held at the 623 South Wabash office on Thursday, January 11. Purpose -- to discuss problems of marketing and distribution facing the industry in that state.

\* \* \*

Representatives of country elevator operators in the Chicago PMA Commodity Office area conferred with local commodity officials at Chicago, Friday, January 12. Included in the discussions were the recently revised sections of the Uniform Grain Storage handbook pertaining to country elevator operations.

M. R. Livingston, assistant director and R. W. Hostrup, chief of the Fiscal Division, Chicago Commodity Office, will be in Washington January 15 and 16, to discuss and obtain Washington approval of the revisions of the new Uniform Grain Storage Agreement Handbook. General managerial problems of the Chicago Commodity Office will also come up for consideration during this Washington visit.

\* \* \*

The space vacated on the 7th floor, 623 South Wabash Avenue, by the Office of Audit and by the Food Distribution Branch area office will be taken over this week by the Loan and Custody Section of the Fiscal Division. Cecil Sullivan is chief of this section.

## OFFICE OF COMPLIANCE AND INVESTIGATION

The Chicago field office of the Office of Compliance and Investigation was moved to their new headquarters, room 1810, 343 South Dearborn Street, Chicago 4 (Fisher Building) on Monday, January 15. The telephone number will remain WEBster 9-7000, Extensions 192-193 and 194. The private telephone number of John Clagett, Compliance Office in Chicago, will remain WEBster 9-7054. All personnel of the Chicago field office may be reached by calling the Webster number as in the past.

The space vacated by C&I at 623 South Wabash Avenue will be taken over by the Food Distribution Branch area office now located in adjoining space on the same floor.

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OFFICE OF COMPLIANCE AND INVESTIGATION (Cont'd)

Fred Dunn, of M. Dunn & Co., Detroit, Michigan potato dealer, was fined a total of \$2,000 by Judge Thomas P. Thornton in Federal District Court at Detroit, January 5 following a plea of guilty to 5 counts of an information charging violation of the provisions of Potato Marketing Order No. 60 of the U. S. Department of Agriculture.

COTTON BRANCH

Cotton exports during November amounted to 372,000 bales, according to the Bureau of the Census. A total of 284,000 were shipped in October and 434,000 in November a year ago. Total exports during the current season are running ahead of last season. In the first four months August through November, exports totaled 1,384,000 compared with 1,228,000 in the corresponding period last season.

\* \* \*

CCC stocks of loan and pooled cotton on January 4, 1951, totaled about 106,000 bales. These stocks consist of 13,000 bales of pooled cotton from the 1948 crop, about 87,000 bales of 1949 crop pooled cotton, and 6,300 bales of 1950 loan cotton. The 13,000 bales of 1948 crop pooled cotton remaining in the CCC inventory are mostly longer staple western growths. The 87,000 bales of 1949 cotton which were pooled for producers' account on Oct. 1, 1950, have not yet been offered for sale. CCC stocks of loan and pooled cotton on January 1 last year totaled about 6 million bales.

DAIRY BRANCH

An additional amount of butter, totaling about 4,900,000 pounds, was offered for sale during the week on the basis of competitive bids. This quantity represented most of the available supplies remaining in CCC's inventory which had not been committed under programs previously in effect. The Department temporarily suspended sales activities on butter December 21, 1950, in order to appraise its inventory position.

A total of about 242 million pounds of butter was bought by the Department under the price support program for butterfat and manufacturing milk which began in February 1949. Of this amount, about 123 million pounds were sold in domestic market; 5-1/2 million pounds were sold for export; 51 million pounds were distributed under school lunch and domestic donation programs; and 37-1/2 million pounds were donated for foreign relief.

Of the remaining 25 million pounds, 20 million have previously been committed for sale or other dispositions and the balance of 4,900,000 pounds is being offered for sale as announced today. These figures are not in agreement with figures in the following tables as of January 5 because of various actions that have been completed since that date.

\* \* \*

Announced this week was the Department's recommendation for two changes in the Federal order regulating the handling of milk in the Toledo, Ohio, milk marketing area: (1) an upward adjustment in the price differentials for Class I and Class II milk, and (2) inclusion of a "supply-demand" pricing provision.

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DAIRY BRANCH (Cont'd)

Price-Support Purchases and Sales, through January 5:  
(Figures in Pounds)

<u>Product</u>	<u>Purchases</u> <u>Jan. 1-5</u>	<u>Total 1950</u> <u>Purchases 1/</u>	<u>1949-50 Purchases</u> <u>Unsold as of Jan. 5</u>
Butter A	---	84,125,815	(
Butter B	---	43,819,818	( 36,400,000 2/
Butter C	---	---	(
		127,945,633	
Cheese	---	108,904,077	12,500,000 2/
Spray milk solids	43,875	257,240,943	(
Roller milk solids	36,600	94,333,584	( 140,400,000
	80,475	351,574,527	

<u>Product</u>	<u>Sales to Trade</u> <u>Week End. Jan. 5</u>	<u>1950 Sales to</u> <u>Domestic Trade</u>
Butter A	5,244,595	66,277,426
Butter B	3,936,983	46,487,055
Butter C	63,372	5,174,142
	9,244,950	117,938,623
Cheese A	879,699	23,210,498
Cheese B	56,777	1,663,335
Cheese C	38,142	454,064
	974,618	25,327,897
Spray milk solids	3,554,890	16,383,197
Roller milk solids	1,704,855	18,738,431
	5,259,745	35,121,628
Animal Feed		
Spray	---	1,321,300
Roller	61,187	7,856,329
	61,187	9,177,629

1/ Adjusted for Contract amendments  
2/ Committed for Sale

\* \* \*

Chicago wholesale prices of butter showed mostly fractional losses. Top on 93 score butter was 72-3/4¢ paid early in the week, with the closing limit 72-1/4¢.

\* \* \*

Arrangements have been completed to sell 15 million pounds of government-owned nonfat dry milk solids to the United Nations International Children's Emergency Fund for use in school lunch and child feeding programs in foreign countries, U.S. D.A. announced January 5. The dried milk will be taken from the surplus supplies acquired under the 1949-50 price support program for manufacturing milk. Unsold supplies of nonfat dry milk solids in the Department's inventory totaled 204 million pounds as of January 2, 1951.

## FATS AND OILS BRANCH

Reported sales of linseed oil by CCC during the period January 4-10, 1951 are as follows:

Sales for Export	-	518,000 pounds
Sales for Domestic Use	-	4,120,000 pounds
Total Sales		<u>4,638,000 pounds</u>

## CCC Purchase Prices - 1950 Crop Peanuts

Effective January 15, 1951 and until further notice, CCC announced that it will purchase oil stock peanuts and excess (oil) farmers' stock peanuts at the following prices:

### Oil Stock Peanuts:

Virginia-Carolina Area	-	8.9 cents per pound
Southeastern Area	-	9.7 cents per pound
Southwestern Area	-	9.7 cents per pound

### Excess (Oil) Farmers' Stock Peanuts:

Virginia-Carolina Area	-	Virginia, Runners, Spanish and Valencias <u>11.0</u> cents per pound of kernels
Southeastern Area	-	S. E. Spanish <u>11.2</u> cents per pound of kernels; S. E. Virginia <u>11.3</u> cents per pound of kernels; S. E. Runners <u>11.8</u> cents per pound of kernels.
Southwestern Area	-	Spanish and Valencias <u>11.8</u> cents per pound of kernels.

## FOOD DISTRIBUTION BRANCH

### Section 416

As of today, January 11, nonfat dry milk solids are no longer available for donations to private welfare agencies for foreign relief under the terms of Section 416.

Food retailers, and press and radio, are being asked this month to stress to consumers the "good food buy" in broilers and fryers. Another item getting special attention, through the Plentiful Foods Program, is Irish potatoes.

\* \* \*

In connection with the Section 32 purchase of honey, it has been suggested, and the Branch has agreed to the suggestion, that a small quantity of creamed honey be distributed to a limited number of schools to determine the acceptability of this product. Three cars, 180,000 pounds, will be made available to the Midwestern, Southwestern, and Western Area offices for delivery to those States which agree to conduct such a study. The study will provide information as to the utilization of the creamed honey, storage conditions necessary, and its acceptability as compared with strained honey -- the type previously distributed. Children, cooks, and teachers will be asked to provide information for the study.

(more)



## FOOD DISTRIBUTION BRANCH (Cont'd)

Floyd Tuchscher and Jeanette Hampton, the latter of the St. Louis office, are in South Dakota this week making a review of school lunch and direct distribution program operations. John James left Monday to attend a meeting on direct distribution programs at Lansing, Michigan, at the request of Ralph Budd, director of commodity distribution for Michigan. Charles Croghan will visit Indianapolis this week to contact trade groups on plentiful foods. O. F. Beyer, Monday attended a meeting in Chicago, of the group sponsoring June Dairy Month. Kent Baker, now of the Washington IMA Information, spent last Tuesday in Chicago conferring with Food Distribution Branch personnel and grocery trade groups.

## GRAIN BRANCH

Problem in 1951 is to maintain soybean acreage and at the same time get an increase in corn. Much of the increase in soybean acreage in 1950 was a shift from corn. Some of this year's increase in corn will have to come out of oats and hay acreage. Expectation, also, is that increased cotton acreage will cut into grain sorghums in the Lubbock area of Texas, but that some increase will be made in grain sorghums in Oklahoma, Kansas, and Texas.

Branch officials are in process of computing minimum ceiling prices at terminals and other locations, for use when and if required under administration of Defense Production Act. While computations have been made of national minimums, it will be necessary also to know the minimums for particular locations. Statistical job is big, but good progress is being made on determining minimums for corn, oats, and soybeans, and a beginning on rice, beans, and peas.

\* \* \*

During the period December 27, 1950 to January 2, 1951, inclusive, the CCC confirmed sales of 5,647,000 bushels of wheat (including wheat and wheat flour in wheat equivalent) under the International Wheat Agreement against 1950-51 Wheat Agreement quotas. The sales include 254,850 hundredweight of flour (591,000 bushels of wheat equivalent) and 5,056,000 bushels of wheat. Principal buyers were Belgium, India, Israel, United Kingdom, and Egypt. Cumulative sales to January 2 against 1950-51 quotas are 115,601,000 bushels.

\* \* \*

Secretary Brannan announced January 5 that there will be no acreage allotments on the 1951 crops of corn and wheat. "This action is being taken," the Secretary said, "because of the need for maximum production of these basic food and feed grains in the national emergency proclaimed by the President on December 16. Ample supplies of both corn and wheat are an essential safeguard in the national defense program.

\* \* \*

Walter A. Davidson and Arnold S. Dahl (Washington) will be in Chicago, Wednesday through Monday to attend meetings of the American Seed Trade Association at their annual convention.

\* \* \*

Wheat closed steady to somewhat higher last week, supported by continued unfavorable crop prospects in the southwest and large export sales. However, feed grains declined 2 to 4 cents per bushel. Barley advanced about 2 cents as an exception. Soybeans were off 3 cents but flaxseed gained 25 cents per bushel.

## FRUIT AND VEGETABLE BRANCH

Florida frosts have caused little damage, but have delayed maturity of celery.

Winter apple purchases were authorized last week in 21 commercial apple states. The first purchase period extends to February 17, and a second one to March 31 is anticipated. The principal surplus is in the northeast and the northwest. Apples purchased under this program will be distributed to School Lunch and other eligible outlets.

Through the week ended January 6 apple purchases totaled 216,865 bushels at a cost of \$542,162.

Purchase of 1950 crop Irish potatoes through January 9 totaled 25,057,272 hundredweight. Of this amount, 6,621,508 hundredweight went to livestock feed; 1,640,398 to Section 416; 3,128,936 to starch; 140,358 to flour; 56,045 to penal institutions; 4,399 to experimental use; 158,200 to export; 23,974 to storage; and 13,283,454 to re-sale.

Export subsidy programs through the week ending January 6 stood at:

Apples, 1,009,606 boxes; \$1,243,305  
Pears, 375,148 boxes; \$468,935  
Fresh oranges, 58,344 boxes; \$96,267  
Fresh grapefruit, 67,027 boxes; \$67,027  
Single strength orange juice, 63,441 cases No. 2's; \$66,237  
Single strength grapefruit juice, 67,533 cases No. 2's; \$60,022  
Single strength blended juice, 10,986 cases No. 2's; \$10,840  
Grapefruit sections, 5,068 cases No. 2's; \$6,587  
Concentrated orange juice, 707,200 gallons; \$1,025,440  
Concentrated grapefruit juice, 31,920 gallons; \$36,708  
Honey, 10,952,033 pounds; \$492,841

Some 60,000 pounds of honey have been moved in the domestic diversion program at a cost to the Government of \$2,250, and under the price support program the Government has purchased 6,354,309 pounds at a cost of \$571,887.

\* \* \*

### Fresh Products

The destination inspection office in Milwaukee reopened Tuesday with J. E. Prather in charge. Prather will continue to supervise Wisconsin and Illinois shipping point inspection work.

### Processed Foods

Max S. Austin left this week for Texas and Hammond, Louisiana on a supervisory trip.

### Regulatory

Jeff Branch, who has returned to work after an extended annual leave, has gone to Texas to spend 3 months on PACA licensing in the lower Rio Grande Valley. Wilson Miller is in Memphis, Tennessee and vicinity this week on PACA investigation work.



## LIVESTOCK BRANCH

Meat production under federal inspection during the week ended January 6, totaled 336 million pounds. Slaughter of all species increased from Christmas week and cattle and hog slaughter were above last year. Total production was up 5 per cent from the 321 million pounds reported for the preceding week and 6 per cent above the 317 million pound output of the corresponding week last year.

\* \* \*

Major classes of slaughter cattle closed generally steady to 50¢ lower in the midwest last week, with a few important exceptions. At Chicago, for example, high-choice and prime grades of steers and yearlings as well as commercial grade were strong to 50¢ higher. This resulted in a top of \$40.50 on prime steers, only \$1.25 under the all-time high of \$41.75 in November and December 1949. Top on heifers was \$37.50. Hogs closed irregularly steady to 25¢ or more higher and lower, with late tops ranging from \$21.00 to \$21.75 at cornbelt terminals. Hog prices on the average still were about \$9.00 under the all-time highs of the summer of 1948, when the weekly average at Chicago reached \$29.90. However, last week's Chicago average of \$20.58 was \$5.37 over a year earlier. Slaughter lambs gained 50¢ to \$1.50 to reach new record high levels at all markets. Extreme peak was \$34.75 paid for a few lambs at Indianapolis.

## POULTRY BRANCH

Poultry Branch functions under the national defense program are being coordinated by an 8-man Defense Committee within the Branch, with J. W. Kinghorne, Assistant Director, as Chairman.

Members of the committee include the heads of each of the Branch's four divisions. Other members of the committee will work with the division heads in the coordinating efforts.

Responsibility for work in relation to production and supply estimates and prices has been assigned to the Commodity Programs Division under C. C. Warren.

Melvin W. Buster, Chief of the Marketing Services Division, will be responsible for the development of recommendations relating to materials and facilities and the allocation of materials and equipment concerning the production, marketing, and processing of poultry and egg products. His division also will develop the necessary material with respect to certificates of necessity for tax amortization purposes.

E. J. Matzen, Chief of the Research Division, will act in an advisory capacity to the committee on problems in which research projects are involved and will be responsible for the utilization of research findings in connection with the defense program.

Roy Flato, Acting Chief of the Commodity Operations Division, will have the primary responsibility of recommending allocations and direction of food orders if such programs are developed.

In addition to these activities, the Branch is working closely with representatives of all phases of the poultry industry in an effort to keep in the closest possible touch with industry needs and progress in connection with the defense program.

(more)

### POULTRY BRANCH (Cont'd)

W. D. Termohlen, Branch Director and Chairman of the Department Poultry Committee, has called a meeting of that committee to be held January 19, to discuss functions of various bureaus and divisions of the Department with respect to poultry and poultry products under the defense program.

It is expected that sub-committees of the Department Poultry Committee will be set up, as they were during World War II, to make recommendations and to carry out special assignments with respect to poultry feeds, by-products, materials, facilities, and similar factors as they relate to production for defense.

\* \* \*

Chicago live poultry prices closed with little or no net change last week, declining 1 to 1-1/2 cents on heavy hens. Week's prices ranged up to 32¢ on heavy hens, 24¢ on light hens, 34¢ on roasters and 25¢ on commercial fryers.

Wholesale egg prices at Chicago declined 9 to 10¢ per dozen on medium and large extra grades and 6-1/2 ¢ on current receipts. Early in the week prices ranged up to 48¢ on top grade eggs, compared with a closing limit of 39-1/2¢ per dozen.

### SUGAR BRANCH

The United States Department of Agriculture announced completion of CCC assignments under the 1950 Cuban raw sugar purchase contract. CCC purchased the remaining stocks of Cuban sugar, amounting to about 583,000 tons in early August of 1950. Of this quantity, about 428,356 short tons have been assigned to U. S. refiners and 127,012 short tons to foreign countries. Approximately 25,000 short tons were made available to the Cuban government to meet local consumption requirements with provisions for replacement of the quantity so used from the first sugars produced in 1951.

### TRANSPORTATION AND WAREHOUSING BRANCH

M. D. Clarke and N. J. Gromen are in Minneapolis this week to continue a survey of PMA Commodity Office transportation activities.



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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois

JUL 6 - 1951

U.S. DEPARTMENT OF AGRICULTURE

FOR ADMINISTRATIVE USE ONLY

January 22, 1951

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: John C. Baker, Chief, Midwest Area, Office of Information Services

THIS WEEK'S SPOTLIGHT

PMA's Telephone Services

Operating a telephone switchboard is a simple operation--it looks so easy in the cinema! You could learn the job in a few easy lessons -- maybe! But -- take a cue from the six feminine employees who regularly staff the boards which control PMA's telephone "lifelines" -- you'd still have a lot to learn after you acquired the mechanics!

Any manual on switchboard operating, for instance, doesn't tell you what to do when an emphatic female caller asserts that she knows the atom bomb has turned the world's weather topsy-turvy -- but have the atom bombs "they" were dropping interrupted the pollination of fruit blossoms? You won't have much time to decide where to refer that call if you're an operator at the switchboard at 623 South Wabash. Your share of the calls which go through the board averages 100 an hour with heavier traffic at busy hours. You'll have to figure out such names as Freymann and Shanesy from the perverted pronunciation some callers give. And one of your calls may be a telephone client who wants to talk to an "expert who knows all about manure." One really did the other day! And a resourceful PMA operator quickly found an obliging PMA'er in the building to fill the request. His identity, well, only an operator would know!

If you think you can't keep up with the traffic that Operators Mabel Foley, Margaret Kratz, and Mildred Wilton and Chief Operator Betty Boyd -- employees of Administrative Services which has charge of the telephone service at 623 South Wabash -- handle every day, go to either 1421 South Aberdeen where Beverly Lambert's the manipulator of the Fruit and Vegetable Branch "lifeline" -- or to 999 Exchange Avenue at Union Stockyards where Kay Hanson's "The Voice" you hear from Yards 7-6520

If you visit Beverly's "board," you'll handle calls on just 6 trunklines compared to 25 at Wabash Avenue, but again the job isn't as easy as it looks. You're supposed to have the answers to questions like wholesale prices of anise. Most of the callers are traders, so you'll have to be sure to give the prices quickly and accurately. You'll also serve as receptionist, sort the mail, and place long distance calls. And right now, a special teletype ticking away beside your desk will require attention.

(more)

If the "glamour" of "the Yards" appeals to you, and you don't mind the fragrance you'll find fewer calls to handle at Livestock Branch's switchboard. There's another incentive for going there, and that is popularity: About 90 per cent of the 300 to 400 calls a day to that number are for Kay Hanson herself. Nice, you'll think, and then sit down at her board to see how it feels to have your telephone popularity zoom. But, as soon as you start taking calls and the Board of Trade or Swift's wants to know "what hogs did today" at Chicago or one of 11 other Midwest markets, you'll notice the rows of figures scattered on papers across Kay's desk, her board, and attached to clipboards on the wall nearby. You'll consult them many times to give out market information, amount of meat in storage, or number of cattle on feed. Your calls will take time to answer. Between-times, you'll call packers to ask how many hogs they bought the day before, or you'll get a call from one of the market news reporters out "in the Yards" with more information. You'll keep records on livestock prices, and you'll get off a report to the teletype room, hand other reports to callers. Kay Hanson's officially an information clerk and calls for others are but a minor part of her job. Of her job she says "I love it," and the statement's confirmed by the sparkle in her eye as she makes the statement: She's been with the Livestock Branch for 14 years.

All of the operators in the three centers handle long distance calls, those to Washington on a special line. That line isn't exclusively for their use, however: Telephone operators in Washington may use it to call any place in Chicago on official business.

There are no regular relief operators -- other than Mrs. Boyd -- for the Wabash Avenue office, whereas fellow office employees Mrs. Theresa Grbac and Maybelle Burkholder serve as substitutes for Miss Lambert, and Mrs. Hilda Clark for Kay Hanson. One of the Wabash operators is always assigned exclusively to long distance.

Several times a year -- four last year -- operators at 623 South Wabash get a call for a telephone survey, which makes their job an even tougher one. Then they keep track of every call; and when those add up to 12,420, as they did one week in December, there's no time to spare at the board. Surveys are made in order that costs of telephone services may be appropriately apportioned among the various PMA offices at the Brunswick Building.

If you ask the Wabash operators for "pet peeves," they're unanimous on this one: Telephones left off the hook!

\* \* \*

#### ON THE CALENDAR

Tuesday, January 23-26	Chicago - Hearing on merger of milk marketing areas.
January 23-24	Toledo - Ohio Dairy Products Association
January 23	Ames, Iowa - Iowa-Nebraska Cannery Association
Wednesday, January 24-25	Columbus, Ohio State PMA Meeting
January 24-25	E. Lansing - Michigan Veterinarians Conference
Thursday, January 25-27	Chicago - Illinois Veterinary Medical Association
Monday, January 29	Toledo - Hearing on new soybean grades
January 29-February 2	E. Lansing - Michigan Farmers' Week
January 29-February 3	Kansas City - National Dairy Council
	(more)



ON THE CALENDAR (Cont'd)

Tuesday, January 30-February 1	Des Moines, Iowa - Iowa Turkey Federation
January 30	Chicago - Hearing on new soybean grades
Wednesday, January 31	Cedar Rapids, Iowa - Hearing on new soybean grades
Thursday, February 1	Chicago - Corn Belt Livestock Feeders Association
February 1-2	Springfield, Mo. - Ozark Cannery Assoc.
Friday, February 2	Decatur, Hearing on new soybean grades
Monday, February 5	Minneapolis - Hearing on new soybean grades
February 5	Columbus - Ohio vegetable growers and canners conference

COTTON BRANCH

With a hearing to be held January 25 in Phoenix, Arizona, to consider the proposed level of support for two varieties of American-Egyptian cotton, special emphasis is being placed on the growing of the extra long staple during the coming year. As recently announced, the proposed price support level is \$1.04 per pound for Grade No. 2, 1-1/2 inches in length with appropriate differentials for other grades and staple lengths.

Extra long staple cotton is a vitally needed commodity. Because of its long staple it plays an important part in the manufacture of many articles necessary to military operations as well as important civilian functions. Sixty percent of the extra long staple cotton now used goes into the manufacture of thread; 22 per cent is used in woven fabrics; 3 per cent goes into the production of knit goods, and the remaining 16 percent is used in the manufacture of lace, wire insulation, rubber fabrics, seine twine, asbestos and sail fabrics and other products.

Acreage of the long staple varieties, is concentrated in four states, Arizona, Texas, New Mexico, and California.

DAIRY BRANCH

A public hearing is being held this week in the Palmer House, Chicago to obtain producer and handler reactions on a proposal to consolidate the three milk marketing orders into one: Chicago, Chicago suburban, and Rockford-Freeport.

\* \* \*

Two actions with respect to Federal milk marketing orders were announced last week: (1) final approval was given to the proposed Federal order to regulate the handling of milk in the Springfield, Mo., milk marketing area, and (2) a recommendation was issued for a new long-range formula for setting minimum prices to be paid to farmers supplying the Philadelphia market for that part of their milk classified as Class I (primarily milk sold in bottled form).

\* \* \*

DAIRY BRANCH (Cont'd)

Price-Support Purchases and Sales, through January 12:  
(Figures in Pounds)

<u>Product</u>	<u>Purchases</u> <u>Jan. 8-12</u>	<u>Total 1950</u> <u>Purchases 1/</u>	<u>1949-50 Purchases</u> <u>Unsold as of Jan. 12</u>
Butter A	---	84,125,815	(
Butter B	---	43,819,818	( 14,700,000 2/
Butter C	---	---	(
		<u>127,945,633</u>	
Cheese	---	108,904,077	11,600,000 2/
Spray milk solids	60,075	257,301,018	( 127,600,000
Roller milk solids	--	94,333,584	(
	<u>60,075</u>	<u>351,634,602</u>	

<u>Product</u>	<u>Sales to Trade</u> <u>Wk. End. Jan. 12</u>	<u>1950 Sales to</u> <u>Domestic Trade</u>
Butter A	4,990,473	71,271,219
Butter B	3,764,683	50,247,696
Butter C	151,086	5,326,828
	<u>8,906,242</u>	<u>126,845,743</u>
Cheese A	374,185	23,913,874
Cheese B	26,473	1,689,808
Cheese C	---	454,064
	<u>400,658</u>	<u>26,057,746</u>
Spray milk solids	2,657,469	19,040,891
Roller milk solids	2,982,709	21,720,740
	<u>5,640,178</u>	<u>40,761,631</u>

Animal Feed

Spray	---	1,321,300
Roller	184,137	8,040,466
	<u>184,137</u>	<u>9,361,766</u>

1/ Adjusted for Contract Amendments

2/ Committed or offered for sale.

\* \* \*

Butter prices declined 2-1/4 - 4¢ per pound last week. Week's top was 72-1/4¢ paid on Monday, with the closing peak 68-1/2¢ per pound.

\* \* \*



## FATS AND OILS BRANCH

### CCC Purchase Prices - 1950 Crop Peanuts

Effective January 22, 1951, and until further notice, CCC announced that it will purchase oil stock peanuts and excess (oil) farmers' stock peanuts at prices ranging from 9.6 to 12.4 cents per pound, depending on variety and location.

\* \* \*

Reported sales of linseed oil by CCC during the period January 5-12, 1951 totaled 498,000 pounds, all of which was for domestic use.

\* \* \*

Experimental peanut foods in new packages and with added flavors are now being tested on a small commercial scale in Griffin, Georgia. The development and testing are being carried out under a Research and Marketing Act contract with the Georgia Agricultural Experiment Station. The new products show promise of contributing to the list of highly nutritious protein foods, such as meat and cheese.

## FOOD DISTRIBUTION BRANCH

The Section 416 program, which has permitted donation of certain surplus CCC food stocks to domestic and foreign welfare organizations and to domestic school lunch programs and other groups, has been curtailed considerably in recent weeks, particularly with respect to foreign recipients. In operation since January of last year, the program made quantities of dried eggs, non-fat dry milk solids, butter, cheese, and potatoes available to eligible recipients free of charge at point of storage. As of December 1, cheese was removed from the availability list for both foreign and domestic recipients, followed by the removal of butter December 20. On December 28, and January 11, dried eggs and non-fat dry milk solids, respectively, were declared no longer available to foreign recipients. The only commodity now available under the program to the foreign outlets is potatoes.

\* \* \*

Bryant Davis, of the School Lunch section of the Washington office, spent Thursday and Friday conferring with members of the Midwest area staff on branch programs. This week he accompanied Oscar F. Beyer and Ina Morris to Wisconsin to make an analysis of school lunch and direct distribution programs in that state. Walter Patterson will spend Tuesday through the rest of the week in Michigan visiting representatives of the food trade. Jeanette Hampton, of the St. Louis office, is visiting Minnesota schools cooperating with the National School Lunch Program with A. R. Taylor, state supervisor, this week.

\* \* \*

Twenty schools in Ohio and 15 each in Indiana and Iowa are going to cooperate with the Branch in making a study of the acceptance of creamed honey by students eating school lunches. Those schools were sent information on creamed honey and its preparation and instructions for making the study this week. They are being asked to serve creamed honey in menus not more than twice a week for a month to see how the students respond to it. Schools in the West and Southwest areas of the U. S. also will cooperate in the study.

## FRUIT AND VEGETABLE BRANCH

Purchase of 1950 crop Irish potatoes through January 16 totaled 27,014,059 hundredweight. Of this amount 7,153,232 hundredweight went to livestock feed; 1,721,854 to Section 416; 3,451,311 to starch; 168,681 to flour; 57,265 to penal institutions; 4,399 to experimental use; 186,200 to export; 23,974 to storage; and 14,247,143 to re-sale.

\* \* \*

Fresh apples purchased through the week ended January 13 totaled 281,206 bushels. Government obligation was \$703,015.

\* \* \*

Export subsidy programs through January 13 stood at:

Fresh apples, 1,016,540 boxes; \$1,251,972

Fresh pears, 367,868 boxes; \$459,835

Fresh oranges, 68,094 boxes; \$112,355

Fresh grapefruit, 75,237 boxes; \$75,237

Single strength orange juice, 66,208 cases No. 2's; \$69,126

Single strength grapefruit juice, 72,119 cases No. 2's; \$64,046

Single strength blended juice, 11,445 cases No. 2's; \$10,998

Grapefruit sections, 5,337 cases No. 2's; \$6,938

Concentrated orange juice, 711,959 gallons; \$1,032,339

Concentrated grapefruit juice, 31,920 gallons; \$36,708

Honey, 11,107,033 pounds; \$499,816

\* \* \*

Sixty thousand pounds of honey have been diverted domestically at a cost of \$2,250 and 6,809,841 pounds purchased under the honey price-support program at a cost of \$612,885.

\* \* \*

### Marketing Programs

R. E. Keller, area marketing specialist, attended a meeting of the administrative committee for the eastern South Dakota potato marketing order in Watertown, S. D. on Monday. The meeting was held to consider recommendations for grade and size regulations on potatoes marketed from the eastern South Dakota production area.

\* \* \*

### Regulatory

Edward Gibson will leave Monday to spend 2 to 3 weeks on PACA licensing and investigations in southern Illinois, Ohio, and Indiana.

\* \* \*

### Fresh Products

Neal Sanborn and Earl Biddick will be in Washington February 1-2 for a conference on peanuts.

## GRAIN BRANCH

Wheat agreement sales have zoomed since the first of the year, total for two weeks ended January 16 exceeding 30 million bushels. This was nearly as much as the total for the first five months of the 1950-51 program. One by one the quotas for individual countries are being filled, as the demand for our wheat is widespread. Quotas for Bolivia, Ecuador, Mexico, Switzerland, and Portuguese Guinea were filled last week. Sales for the 1950-51 season totaled 146,270,000 bushels through January 16, leaving only 85,469,000 bushels to fill quotas for all countries. United States now is only important world source of grain. Continuation of sales at recent rate would fill all quotas

(more)



## GRAIN BRANCH (Cont'd)

long before the end of the 1950-51 season.

\* \* \*

Grain prices lost some recent gains last week, as millers and other processors were reported to have accumulated adequate supplies for current requirements and awaited government action on price controls. Wheat declined 2 to 3¢, corn 3 to 4¢, oats about 2¢ and barley around 3¢ per bushel during the week ended on Thursday. Oilseeds were firm, while flaxseed held about steady. Soybeans advanced 2 to 5¢ per bushel.

\* \* \*

Robert H. Black, Assistant to the Director, and Jayson E. Barr, Chief, Inspection Division, Washington, will be in Toledo, Chicago, Cedar Rapids, Decatur, Minneapolis, and Omaha, Jan. 28-Feb. 11, to conduct informal hearings on proposals for soybean and rye standards and to consult with Grain Branch officials and others regarding Branch activities.

\* \* \*

Wilson E. Westbrook, Marketing Specialist, will be in Chicago, January 19-23, to attend a meeting of the American Seed Trade Association and to discuss with representatives of the seed trade various requirements of PMA and CCC price support programs.

## LIVESTOCK BRANCH

New record high prices up to \$35.75 on lambs and \$43.00 on vealers featured trading at midwest markets the past week. Meanwhile, cattle prices climbed to a top of \$40.85. Week's average cost of \$34.24 on steers at Chicago was only \$2.63 under the all-time high of \$36.87 in one week of July, 1948. Hogs got up to an extreme peak of \$22.00, highest since last September.

As compared with a week earlier, closing prices were generally 50¢ to \$1.50 higher on slaughter cattle, weak to 25¢ lower on hogs, \$1.00 to \$2.00 higher on lambs.

## POULTRY BRANCH

USDA's inventory of dried eggs acquired under price support programs has been reduced by 22,457,784 pounds since about the first of January. These disposals have entirely cleared CCC stocks of dried eggs purchased in 1948 and 1949, except for small lots being retained for experimental purposes. Total stocks on hand at present, consisting of powder acquired in 1950 only, amount to 68,501,216 pounds. The inventory was reduced to this figure by commercial export sales and by donations, both domestic and foreign, under Section 416.

Of the remaining stocks, 10 million pounds have been offered for export sale and a million pounds for domestic sale, while 9 million pounds are being reserved for eventual distribution for school lunch, institutional and relief uses. The product has been taken off the list for export relief donations and after the above requirements are satisfied, the balance of dried eggs on hand will be reserved until a careful study can be made of potential outlets.

\* \* \*

(more)

## POULTRY BRANCH (Cont'd)

Prices paid to shippers of live poultry at Chicago last week were 7 to 8¢ higher on fryers, 1 to 3¢ higher on heavy hens and largely unchanged on other classes. Tops for the week were 32¢ on heavy hens, 24 on light hens, 34¢ on roasters and 32¢ on fryers.

Chicago wholesale egg prices gained 3 to 4¢, with closing prices highest of the week. Large extras sold up to 43-1/2¢, medium extras 41-1/2, and current receipts 40-1/2¢ per dozen.

\* \* \*

USDA's Poultry Advisory Committee, meeting in Washington last week, recommended research on several lines having to do with marketing; develop an improved egg candler, expand retailer training to improve merchandising of poultry and eggs, develop better methods of cleaning eggs. E. W. Priebe, Jr., Chicago, was re-elected chairman of the committee.

## SUGAR BRANCH

A weekly market news summary on blackstrap molasses was started last Wednesday. Report gives market prices at New York, Albany, Boston, Philadelphia, Baltimore and the Gulf and West Coast markets, and also covers general information on markets, supplies, volume of sales, etc.

## TOBACCO BRANCH

Crude pine gum prices advanced 42¢ a barrel last week over the previous average of \$28.98. Producers received \$29.40 per standard barrel of 435 pounds during the week January 8-13.

## TRANSPORTATION AND WAREHOUSING BRANCH

M. R. Banks will be in Chicago, Ill., Jan. 22-23, to discuss revisions in Cold Storage Reporting Schedules on meat with representatives of the American Meat Institute and on poultry with representatives of the Institute of American Poultry Industries. Mr. Grant of BAE and Mr. Negaard of Bureau of Budget will accompany Mr. Banks. J. D. Granger and A. L. Cumming will make a routine field supervisory visit relative to Grain Storage Facilities Program in Decatur, Illinois next week. F. D. Butcher will inspect grain stored in CCC-owned bin sites in Decatur, Jan. 22-26. J. W. Bourke and B. D. Leavens will be in Chicago, Jan. 22-26, to present evidence on behalf of the Department and the fisheries industry in Docket 5804, "Refrigeration Charges on Small Shipments of Fish."

\* \* \*

Nation's cold storages held 5 billion pounds of food on December 31. Coolers were 67 per cent occupied and freezers 81 per cent occupied, with 2.9 billion and 2.1 billion pounds respectively. Food in coolers went down slightly during December, but not so much as usual, while amount of food in freezers increased a little. Thirty-four million bushels of apples on hand made an all-time high record for the date. Stocks of frozen vegetables and of cheese were also at record highs. In contrast, stocks of shell eggs were only 26,000 cases, an all time low for December 31. Stocks of meat were 791 million pounds, about two-thirds of it pork.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois

JUL 6 - 1951

FOR ADMINISTRATIVE USE ONLY

January 30, 1951

MIDWEST INFORMATION SUMMARY

TO: PMA Offices, Midwest Area

FROM: John C. Baker, Chief, Midwest Area, Office of Information Services

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THIS WEEK'S SPOTLIGHT

MIDWEST AREA, OFFICE OF INFORMATION SERVICES -

We write "finis" this week to the series of reports spotlighting activities and assignments carried out by PMA's field offices in Chicago, with a few facts about the area Office of Information Services. That's us!

Our little office is tucked away behind a row of filing cabinets and a few partitions, next to the wire room on the 7th floor, 623 South Wabash Avenue. Here John Baker (he's not writing this) directs and supervises a little staff of 7 boys and girls whose main job is to shed light on PMA's many and varied operations via press, radio, the mails, and the spoken word over 11 Midwest states.

There is not enough paper in the stock room to describe each and every thing we do -- specifically. The OIS is strictly a service branch -- serving PMA offices, the agricultural trade, and the public. Major assignments to the Chicago area office include:

Market News -- Under Paul Ostendorf, assisted by "Duke" Manthey, this section receives market news reports from hundreds of shipping and market centers and adapts them for further distribution via press and radio for printing or broadcast throughout the nation. The Farm Market Analysis, which reports and interprets the trends of market prices of the principal farm products, is now carried via the wire services to more than 1400 radio stations and hundreds of newspapers every day. This is only one of many reports prepared daily by this section.

The Press and Radio section prepares a weekly service for farm broadcasters and editors; another especially for food broadcasters and editors; and a weekly newsletter which is distributed to the food trades. In addition, all announcements and press releases issued by PMA in Washington are distributed to selected mailing lists of publications, organizations, and individuals covering the fields of agricultural production, distribution, and processing. These various services cover USDA's price support programs, CCC purchase and sales operations, marketing orders, and the dozens of other activities included in PMA's far-flung operations.

As a service office, John Baker and his assistants are available at all times for consultation by any PMA official in the area concerning public relations, educational work, program planning, and departmental policy. The office has the responsibility for making its own decisions on statements or other announcements

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in which departmental policy is involved. All duplicated material for public distribution originating in PMA offices in Chicago must be cleared for policy with Mr. Baker before it is distributed.

The Chicago OIS is a clearing house for all special requests concerning any of USDA's programs, and servicing these requests is one of the major functions of the office. These special requests come by telephone, mail, or office visit from newspapers, radio broadcasters, farm and trade publications, trade associations, advertising agencies, investment firms, farm owners and operators, college students -- from anyone and almost everyone interested in the production, marketing, handling and distribution of commodities produced on farms.

Many requests for information concern USDA activities other than those of PMA but the OIS is prepared to service all either by coming up with the right answer or, by directing the inquirer to the agency which can serve him adequately.

The Office of Information Services is prepared and ready to serve you too -- if we can. Thank you.

#### ON THE CALENDAR

Tuesday, January 30-February 2	E. Lansing, M.S.C. Farmers' Week
January 30-February 3	Kansas City, National Dairy Council
January 30	Chicago - Hearing on soybean grades
January 30-February 1	Des Moines - Iowa Turkey Federation
January 30	Ames - Short course for PMA employees
Wednesday, January 31	Cedar Rapids - Hearing on soybean grades
Thursday, February 1-2	Springfield, Mo. - Ozark Cannery Association
February 1-2	Chicago - Corn Belt Livestock Feeders Assoc.
Friday, February 2	Decatur - Hearing on soybean grades
Monday, February 5	Minneapolis - Hearing on soybean grades
February 5	Columbus, Ohio - Ohio vegetable growers and canners conference
Tuesday, February 6	Minneapolis - Hearing on rye grades
February 6-7	Mandan - North Dakota state PMA meeting
Wednesday, February 7	Omaha - Hearing on rye grades
February 7	E. Lansing, Michigan. Michigan branch, American Dairy Association
Thursday, February 8	Chicago - Hearing on rye grades
February 8-9	Huron, South Dakota state PMA meeting
Friday, February 9	Escanaba - Upper Michigan Dairy Manufacturers Association
Saturday, February 10	Chicago - Independent Grocers Alliance
Sunday February 11	Kansas City - National Egg Products Assoc.
February 11-13	Kansas City - Institute of American Poultry Industries.



## ADMINISTRATIVE SERVICES

Royce Dodge will visit the Commodity Office in Minneapolis this week, to discuss property and space problems.

### COTTON BRANCH

From January 5 through January 21 export licenses totaling 208,000 bales of cotton were issued by the Department of Commerce. This brings the total volume of cotton for which export licenses have been issued to 2,424,000 bales. The interim export allocation for the period, August 1, 1950 through March 31, 1951, is 3,496,000 bales. Bulk of the licenses issued during the January 5-21 period was for Japan, Italy, Germany, and India.

\* \* \*

Cotton ginned through January 15 totaled 9,678,000 bales. This was 38 percent smaller than the volume ginned to the same date last year.

\* \* \*

Prices for American-Egyptian cotton advanced sharply following the Department's announcement of its intentions to support the price of 1951-crop Amsak and Pima 32 in order to obtain necessary domestic production.

### DAIRY BRANCH

Price-Support Purchases and Sales, through January 19:  
(Figures in Pounds)

<u>Product</u>	<u>Purchases</u> <u>Jan. 15-19</u>	<u>Total 1950-51</u> <u>Purchases 1/</u>	<u>1949-51 Purchases</u> <u>Unsold as of Jan. 19</u>
Butter A	---	84,125,815	(
Butter B	---	43,819,818	( 13,600,000
Butter C	---	---	(
		<u>127,945,633</u>	
Cheese	---	108,904,077	10,400,000
Spray milk solids	172,575	257,473,593	(
Roller Milk solids	---	94,333,584	( 122,300,000
	<u>172,575</u>	<u>351,807,177</u>	

<u>Product</u>	<u>Sales to Trade</u> <u>Wk. End. Jan. 19</u>	<u>1950-51 Sales to</u> <u>Domestic Trade</u>
Butter A	242,155	71,468,800
Butter B	151,084	50,438,135
Butter C	45,063	5,371,891
	<u>438,302</u>	<u>127,278,826</u>
Cheese A	1,220,059	25,133,933
Cheese B	13,785	1,703,593
Cheese C	---	454,064
	<u>1,233,844</u>	<u>27,291,590</u>
Spray milk solids	2,600,585	21,641,476
Roller milk solids	1,614,275	23,272,015
	<u>4,214,860</u>	<u>44,913,491</u>
<u>Animal Feed</u>		
Spray	--	1,321,300
Roller	--	8,040,466
1/ Adjusted for Contract Amendments		<u>9,361,766</u>

## DAIRY BRANCH (Continued)

Chicago wholesale butter prices closed last week 3/4 to 1-1/2¢ per pound over the close a week earlier. Closing quotations were 69-1/2¢ to 70¢ per pound on 93 score, 79-3/4¢ on 92 score, and 68-1/4¢ to 68-3/4¢ on 90 score.

## DEFENSE FUNCTIONS

### Materials Controls --

Topside Defense policy seems to be that National Production Authority will continue just slicing off portions of available materials (10 to 30%) for defense contracts, through priorities and a beginning of allocations and distribution controls for such as nickel, with "all other users" scrambling for what's left (including "food interests"). All basic materials ultimately may be closely allocated as to "end-use", and that's where USDA possibly will come in fully, possibly controlling the use of allocated materials for "food," farm machinery, fertilizer -- tractors for farmers instead of for golf courses. Among other reasons for NPA's not putting through many "end-use" limitations now seem to be to avoid unemployment, or shifts of workers from plants which later can be converted to defense output.

\* \* \*

### Priorities

To answer numerous inquiries, USDA so far has not been delegated any authority to issue priorities. People should be directed to the NPA on priorities.

\* \* \*

### Allocations

Operationally, it appears that the responsible FMA commodity branch will administer various orders once allocations are set up, and after coordination through the Office of Requirements and Allocations, and Materials and Facilities. There will be lots of exceptions to this, however; on farm machinery, say, maybe the ORA or M&F will administer as well as coordinate. USDA at some point may be responsible for all controls as to handling that portion of available materials allocated by the NPA for "food."

## FATS AND OILS BRANCH

Howard Akers and Eugene Bayol of the office of the Assistant Administrator for Production are spending this week in State FMA offices in Oklahoma, Texas, Arizona, and California exploring possibilities of obtaining production of castor beans within limited and closely supervised areas of these states.

## FOOD DISTRIBUTION BRANCH

A meeting of area supervisors has been scheduled for Washington beginning February 12. Oscar F. Beyer of the Midwest Area office will attend. Washington visitors in the Chicago office the first two days of this week were M. P. Driggs, chief of the direct distribution program, and Bryant Davis, of the school lunch section who has been traveling with area personnel in this part of the country. Jeanette Hampton, of the St. Louis office, spent Monday in the Chicago office on return from visiting lunch programs in Minnesota. Ina Morris and Hal Bolin went to Springfield, Illinois, Monday at the

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## FOOD DISTRIBUTION BRANCH (Continued)

invitation of Stelle Graff, state school lunch supervisor, to attend a meeting of his field staff on school lunch, direct distribution, and food preservation programs. John Janus has returned to the Chicago office after a month on assignment in Washington.

\* \* \*

Mrs. Helendeen Dodderidge (Washington) will be in Minneapolis, Chicago, Detroit, and Jefferson, Ohio, to lead discussions on current aspects of food and agriculture programs this weekend.

\* \* \*

### Section 416

Only three commodities remain available for domestic distribution under Section 416 of the Agricultural Act of 1949. These include dried eggs, nonfat dry milk solids, and Irish potatoes. American cheddar cheese, and creamery butter were removed from the list of available commodities on December 1 and January 20 respectively. Only Irish potatoes remain available for foreign distribution. In addition to the removal of creamery butter and American cheddar cheese, as indicated above, dried eggs and nonfat dry milk solids were removed from availability for foreign distribution on December 28 and January 11, respectively.

\* \* \*

### Section 6 and Section 32

A second purchase of honey amounting to 4,516,220 pounds was allocated for distribution to domestic outlets, bringing the total distributed this year to 6,969,120 pounds. A second purchase of American process cheese, amounting to 6,435,000 pounds, was made for the National School Lunch Program from Section 6 funds. An initial purchase of 437,460 pounds was distributed in the Caribbean Area and Hawaii. This brings the total American process cheese purchases up to 6,872,460 pounds.

## FRUIT AND VEGETABLE BRANCH

It looks now as though total shipments of winter vegetables from the south Texas area will be not over 60 percent of the amount shipped last season. Reasons: last year's low prices; extreme shortage of irrigation water and rain; some freeze damage in early December.

\* \* \*

Florida is reported to have planted so much sweet corn that, if weather conditions are favorable and no disaster strikes, there will not be enough labor available to harvest it.

\* \* \*

Purchase of 1950 crop potatoes through January 23 totaled 28,634,031 hundredweight. Of this amount, 7,657,529 hundredweight went to livestock feed; 1,804,696 to Section 416; 3,725,933 to starch; 197,149 to flour; 60,505 to penal institutions; 4,399 to experimental use; 199,700 to export; 2,182 went into storage; and 14,981,938 hundredweight went to re-sale.

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FRUIT AND VEGETABLE BRANCH (Continued)

Export subsidy programs through the week ended January 20 stood at:

Fresh apples, 1,044,277 boxes; \$1,286,316  
Fresh pears, 368,807 boxes; \$461,008  
Fresh oranges, 95,188 boxes; \$157,060  
Fresh grapefruit, 75,257 boxes; \$75,257  
Single strength orange juice, 71,250 cases No. 2's; \$74,353  
Single strength grapefruit juice, 76,841 cases No. 2's; \$68,214  
Single strength blended juice, 10,826; \$10,678  
Grapefruit sections, 6,167 cases No. 2's; \$8,017  
Concentrated orange juice, 723,491 gallons; \$1,049,061  
Concentrated grapefruit juice, 32,322 gallons; \$37,170  
Honey, 11,161,033 pounds; \$502,246

Honey diversion and price support figures remain unchanged.

Fresh apple purchases through the week ended January 20 totaled 445,863 bushels, at an obligation to the Government of \$1,114,657.

\* \* \*

Approval has been given to the grade and size regulations recommended by the South Dakota Potato Committee. To be eligible for marketing, potatoes produced in South Dakota must meet U. S. Commercial grade, 2 inch minimum size.

Fresh Products -

Earl Biddick will return Tuesday from Nebraska where he has spent several days supervising inspection at shipping points.

GRAIN BRANCH

Price support loans and purchase agreements on 1950-crop grains and oilseeds through December were less than three-fifths the amount of 1949 crops put under support during the like period in 1949 -- only 307 million bushels, compared with 534 million in previous year. Big reductions are shown in loans and purchase agreements on wheat and corn. Surprisingly small quantity of soybeans was under support (less than 14 million bushels) in view of record 1950 soybean crop.

\* \* \*

Significance of January grain stocks report is that wheat supply in all positions was 89 million bushels larger this January 1 than last, and feed grain supply (corn, oats, barley, grain sorghums) was 77 million larger. Supply of corn was down about 142 million bushels, but increases in the other feed grains more than offset this reduction. Total supplies of the four feed grains this January 1 was 4,085 million bushels, compared with 4,008 million on same date last year. Wheat supply this January 1 was 998 million bushels, compared with 909 million a year earlier.

\* \* \*



## GRAIN BRANCH (Continued)

Wm. C. Dachtler and Wm. A. Noel of the Washington staff will be in Kansas City, Mo., Little Rock, and Stuttgart, Arkansas, January 30-February 4, to confer with representatives of equipment manufacturers regarding CCC grain storage and conditioning projects and to attend meeting of the Rice Committee. Howard H. Woodworth, Washington staff marketing specialist, will be in New Albany, Indiana, and other points in Indiana, Ohio, Illinois, and Wisconsin, January 24-February 16, to audit records for seed verification service and conduct investigations under the Federal Seed Act.

\* \* \*

Cash grain price trends were irregular in an unsettled market last week. Uncertainty was attributed to anticipated price ceilings and political developments in connection with the Korean situation. Wheat advanced 2 to 4¢ per bushel on active inquiry for supplies to fill export sales, while flaxseed advanced 10¢ at Minneapolis and soybeans 4¢ at Chicago. Feed grains, however fluctuated within narrow limits.

## LIVESTOCK BRANCH

The midwest livestock trade reflected a nervous undertone in view of uncertainties over prospective price controls last week. Cattle trading slowed toward the end of the period and closed weak to lower. Hogs and vealers closed the week steady to higher than a week earlier. Lambs lost some price ground, but still held near the highest levels in history.

The week's high of \$41.50 on a carload of 1504 pound prime steers at Chicago was only 25¢ under the record high of \$41.75 late in 1949. Hogs sold up to \$22.25. Late tops in the woolled lamb trade were from \$35.00 to \$35.50.

## OFFICE OF PERSONNEL

Action is being taken on persons who are eligible for conversion from temporary to Civil Service status, under an executive order issued last August. Eligible employees must have been on the job for at least two years prior to the effective date of the order, and their conversion must be recommended by branch or office head. Approximately 20 persons in the Midwest area are affected.

\* \* \*

W. L. Johnson, assistant to the Personnel Director of PMA, conferred with the Chicago area staff last week. Charles Potter, of the classification section in Washington, is a Chicago visitor this week.

## POULTRY BRANCH

Sub-committees of the Department of Agriculture's Poultry Committee, comparable to those set up during World War II, are being reestablished and will work with those branches of the Production and Marketing Administration, such as the Poultry Branch, Grain Branch, and others, on matters pertaining to the National Defense Program.

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POULTRY BRANCH (Continued)

This action is being taken through unanimous recommendation of the Committee which met January 19 to review the work of the sub-committees during World War II.

At that time there were such committees on Feed, Hatcheries, Materials and Facilities, and By-products. These committees were divided into two general categories, acting either in an advisory capacity on specific problems and policies, or to carry out specific assignments.

\* \* \*

No important changes occurred in prices paid live poultry shippers for Chicago deliveries last week. Light hens advanced 1¢ per pound, while heavy hens lost 1¢ and fryers lost 1 to 2¢. Late quotations were 31 to 31-1/2¢ per pound for heavy hens, 24 to 25¢ for light hens, 30 to 34¢ for roasters and 27 to 31¢ for fryers.

Wholesale egg prices at Chicago closed the week 1/2 to 2-1/2¢ lower per dozen, with the most decline on large and medium extras. Large extras closed at 39-1/2 to 41-1/2¢, mediums at 38 to 39-1/2¢, standards at 38-1/2 to 39¢ and current receipts from 39 to 39-1/2¢.



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PRODUCTION AND MARKETING ADMINISTRATION  
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JUL 6 - 1951

U.S. DEPARTMENT OF AGRICULTURE

FOR ADMINISTRATIVE USE

February 5, 1951

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: John C. Baker, Chief, Midwest Area, Office of Information Services,  
Chicago, Illinois

ON THE CALENDAR

Tuesday, February 6-8	Urbana. Illinois Farm and Home Week
February 6-9	Columbus. Dairy Technology Conference
February 6	Minneapolis. Hearing on rye grades
February 6-7	Mandan. North Dakota PMA meeting
February 6-7	Wisconsin Seedmen's Association, Milwaukee
Wednesday, February 7	Omaha. Hearing on rye grades
February 7	East Lansing. American Dairy Association of Michigan
February 7-8	Urbana. Dairy Plant Fieldmen's Conference
Thursday, February 8-9	Huron. South Dakota PMA meeting
February 8	Chicago. Hearing on rye grades
Friday, February 9	Escanaba. Upper Peninsula Dairy Mfrs. Assoc.
Saturday, February 10	Chicago. Independent Grocers' Alliance.
Sunday, February 11-13	Kansas City. Institute of American Poultry Industries
February 11-13	Kansas City. National Egg Products Association
Tuesday, February 13	Chicago. USDA CLUB. Weatherman Gordon Dunn, guest
February 13-15	Grand Rapids. Michigan Allied Dairy Assoc.
Wednesday, February 14-17	Chicago. Wholesale Grocers' Association
February 14-16	Chicago. PMA Processed Fruit and Vegetable Supervisors' Conference.
Thursday, February 15	Chicago. National Canners' Association
February 15	Chicago. Midwest Soil Improvement Committee
February 15	South Bend. Hearing on milk order
February 15-16	Kansas City. Midwest Feed Mfrs. Association
Friday, February 16	Chicago. Canning Machinery Supplies Assoc.
Saturday, February 17-24	National Future Farmers of America Week
February 17	Chicago. National Assoc. of Retail Owned Grocers

## ADMINISTRATIVE SERVICES

Richard Bender, A. S. chief, is on temporary detail to the Chicago office of the Economic Stabilization Administration, in charge of administrative services of that new agency during the period of its establishment.

## COMMODITY CREDIT CORPORATION

Several commodities available for sale during January were dropped from the list of commodities available during February, issued on February 1. Gum rosin, potato starch, and dried pink beans no longer are available domestically, and wheat will be sold only when premium wheat is required or when emergency situations have been dropped from the list of commodities available for export.

Commodities available for domestic sale during February include dried eggs, dried skim milk, linseed oil, dry beans, Austrian winter pea seed, blue lupine seed, lespedeza seed, weeping lovegrass seed, wheat, oats, barley, and corn. For export sale: dried eggs, dried skim milk, raw linseed oil, dry beans, Austrian winter pea seed, and Irish potatoes.

\* \* \*

A new handbook for country elevator operators, to guide them in handling of CCC grain under Uniform Grain Storage Agreement, has been completed for distribution to approximately 3500 country elevators in 5 states served by Chicago Commodity Office. Distribution has been hampered by rail tie-up. New handbook replaces portions of handbook issued last September for both country and terminal elevator operators.

\* \* \*

Assistant Director Marvin E. Smith, and J. M. Boberski, Chief of Transportation and Warehousing Division last Friday, completed a week's trip inspecting CCC dry bean storages in Michigan.

\* \* \*

R. W. Hostrop, Chief of Fiscal Division, will meet with Ohio country elevator operators and representatives of the Ohio state PMA office at Columbus, Tuesday to discuss and clarify regulations and procedures outlined in the Uniform Grain Storage Agreement Handbook recently issued by the Chicago Commodity Office.

## COTTON BRANCH

Cotton futures markets suspended trading all last week for the longest period since March 1933.

With the general price ceiling regulation applicable to most cotton prices, the futures markets suspended during the week. The price order froze cotton prices except for cotton sold by producers. Officials of ESA, the Department of Agriculture, and members of the cotton trade are meeting to clarify the order with respect to a number of points. In general, the ceiling price regulations specifically exempt upland cotton when sold by the producer but applies to all transactions after the producer makes the initial sale. Distributors of upland cotton and manufacturers, wholesalers, and retailers of cotton goods and products are required to sell at prices not exceeding the highest prices charged during the period, December 19, 1950 to January 25, 1951.

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COTTON BRANCH (Cont'd)

The supply of upland cotton (carry-over August 1, 1950, plus ginnings through January 15, 1951) totaled 16,371,000 bales or 22 percent smaller than that of a year ago.

DAIRY BRANCH

Two actions with regard to standards for dairy products were announced this week. One was the issuance of proposed standards for grades of cream for use in the manufacture of butter, intended to encourage quality improvement in butter manufacture. The other was the issuance of standards for use in determining the amount of scorched particles in dry milks.

\* \* \*

Recent actions with respect to Federal milk marketing orders include: (1) Amendment of the Columbus, Ohio, Federal order so as to make permanent during eight months of the year (August-March) a temporary increase of 10 cents per hundred-weight in the minimum farm prices of Class I and Class II milk and to authorize an additional increase of 10 cents if the supply of milk drops below a prescribed level.

(2) Amendment of the Tri-State (Kentucky-Ohio-West Virginia) Federal order so as to maintain minimum farm milk prices for Class I and II milk at not less than January levels during the months of February and March.

(3) Announcement of USDA final approval of proposed amendment to the Toledo, Ohio, Federal order which would provide an upward adjustment in the price differentials for Class I and II milk and the inclusion of a "supply-demand" pricing provision.

Producers in southern Illinois and in suburban St. Louis marketing areas rejected the marketing orders proposed for those areas. Consequently, no order will be issued for either market.

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Price-Support Purchases and Sales, through January 26:  
(Figures in Pounds)

<u>Product</u>	<u>Purchases</u> <u>Jan. 22-26</u>	<u>Total 1950</u> <u>Purchases 1/</u>	<u>1949-50 Purchases</u> <u>Unsold as of Jan. 26</u>
Butter A	---	84,125,815	(
Butter B	---	43,819,818	( 10,900,000 2/
Butter C	---	---	(
		<u>127,945,633</u>	
Cheese	---	108,904,077	8,200,000 2/
Spray milk solids	---	257,473,593	(
Roller milk solids	---	94,333,584	( 118,700,000
		<u>351,807,177</u>	

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1/ Adjusted for Contract Amendments  
2/ Committed for Sale

DAIRY BRANCH (Cont'd)

<u>Product</u>	<u>Sales to Trade</u> <u>Wk. End. Jan. 26</u>	<u>1950 Sales to</u> <u>Domestic Trade</u>
Butter A	1,324,930	72,769,434
Butter B	197,327	50,658,485
Butter C	56,182	5,428,073
	<u>1,578,439</u>	<u>128,855,992</u>
 Cheese A	 2,148,866	 27,282,723
Cheese B	62,169	1,765,762
Cheese C	589	454,653
	<u>2,211,624</u>	<u>29,503,138</u>
 Spray milk solids	 776,010	 22,417,426
Roller milk solids	1,969,515	25,242,050
	<u>2,745,525</u>	<u>47,659,476</u>
 Animal Feed		
Spray	--	1,321,300
Roller	--	8,040,466
		<u>9,361,766</u>

DEFENSE ACTIVITIES

Prices:

The parity price determinations for January 15, 1951, either raised or lowered the "legal minimum prices" for the majority of agricultural commodities. More commodities went up than went down in their legal minimums, as a result of the mid-month parity price revision--but a considerable number were cut. In general and by categories, the mid-January parity figures for livestock and products (except eggs), for tobacco (where changes were registered, and for sugar crops -- were rather evenly divided as to increases and decreases for deciduous and other fruits, for vegetables for processing, and for miscellaneous items -- and were lowered for all tree nuts, and for citrus, and for most vegetables for fresh market, and for many seedcrops.

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Orders:

Controls over basic materials were tightened in the past week, with tin orders prohibiting all use of tin after March 1 which is not specifically authorized, with a nickel order; with an inventory limitation on molybdenum; and with a 40% ceiling on ethyl cellulose reserved for defense orders.

FOOD DISTRIBUTION BRANCH

Section 6

A total of 6,435,000 pounds of American process cheese has been purchased under Section 6 for distribution to schools participating in the National School Lunch Program. Allocations of this cheese have been made to the areas and shipments to States are scheduled between now and March 31. Schools had been securing cheese under the Sec. 416 program but no cheese has been available from this source since December 1950.

\* \* \*



FOOD DISTRIBUTION BRANCH (Cont'd)

Food Trades

At the request of growers and shippers, various segments of the food trade will cooperate with FMA in a special drive to increase consumption of Iceburg type lettuce. Peak promotional support by wholesale and retail distributors and the public feeding industry is planned for February 15-17. With reports from growing areas that quality is good and with low prices it is felt there is room for considerable increase in lettuce sales.

\* \* \*

O. F. Beyer is visiting Indiana school lunch and direct distribution agencies in Indianapolis the first part of this week. Charles Croghan is in Minneapolis contacting the food trade, Hal Bolin is consulting with the Iowa State Board of Control at Des Moines on rebuilding food preservation plants at some state institutions; he also will confer with C. W. Bangs, state school lunch director, on cooperation of schools with locker plants in providing food for lunch programs.

John James is attending a meeting on direct distribution activities at the CCC office in Kansas City; Jim Hutchins of the Washington office is in Kansas City for the same meeting this week. John Janus is accompanying Scudder Darragh of the Washington office on visits Monday and Tuesday to state direct distribution outlets. They will also discuss direct distribution activities with the Illinois Public Aid Commission.

FRUIT AND VEGETABLE BRANCH

Purchase of 1950 crop Irish potatoes through January 30 totaled 29,902,877 hundredweight. Of this amount 8,123,124 hundredweight went to livestock feed; 1,877,051 to Section 416; 4,038,311 to starch; 200,810 to flour; 61,945 to penal institutions; 4,399 to experimental use; 202,200 to export; and 15,395,037 to re-sale.

Apple purchases through the week ended January 27 totaled 639,544 bushels, at an obligation to the Government of \$1,598,860.

\* \* \*

Export subsidy programs through the week ended January 27 stood at:

Fresh apples, 1,117,969 boxes; \$1,372,287  
Fresh pears, 369,305 boxes; \$461,631  
Fresh oranges, 121,277 boxes; \$200,107  
Fresh grapefruit, 83,347 boxes; \$83,347  
Single strength orange juice, 71,562 cases No. 2's; \$74,656  
Single strength blended juice, 10,876 cases No. 2's; \$10,729  
Single strength grapefruit juice, 77,742 cases No. 2's; \$69,125  
Grapefruit section, 6,182 cases No. 2's; \$8,036  
Concentrated orange juice, 748,761 gallons; \$1,085,702  
Honey, 11,320,533 pounds; \$509,424  
Concentrated grapefruit juice, 32,322 gallons; \$37,170

Processed Products- Mrs. Dorothy Eberhardt, inspector attached to the central district, died Sunday night in Weslaco, Texas following a stroke last Wednesday. Mrs. Eberhardt, whose home was in Boswell, Indiana, had been an inspector with the branch since January, 1943. She was assigned to inspection work in Weslaco at the time of her death.

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## FRUIT AND VEGETABLE BRANCH (Cont'd)

### Processed Products (cont'd)

Supervisors of the eastern and western districts and Max S. Austen of Chicago, supervisor of the eastern district will confer with Washington officials in Chicago for 4 days beginning February 14 on inspection problems. Washington conferees in Chicago for the session will be F. L. Southerland, chief of the Processed Products Standardization and Inspection Division; L. S. Fenn, assistant chief, and M. W. Baker, deputy director of the Fruit and Vegetable Branch. Ten officers in charge of central inspection districts also will attend the conference.

### Regulatory

Edward Gibson will return the end of next week from southern Illinois and southern Indiana where he is making PACA investigations and issuing licenses.

\* \* \*

Higher grade and size regulations for South Dakota potatoes will be in effect February 5 through June 30. Higher standards were recommended by South Dakota Potato Committee, composed of growers and handlers. New regulations require U. S. Commercial grade, 2 inch minimum size; replace earlier regulation which prohibited only culls.

## GRAIN BRANCH

Important action this week was the terminating of rice acreage allotments, following similar action on wheat, and decision to have no allotments on cotton and corn. Only 1951 crop acreages now remaining under allotment are tobacco and peanuts.

\* \* \*

Foreign demand for our grain runs high, with prospect that January-June 1951 exports of wheat will exceed July-December 1950 volume by substantial margin. Problem now is transportation, with liftings far below orders. If all the grain wanted by foreign buyers could be lifted, the export flow would be setting new high record for this time of year.

\* \* \*

Farmers put total of 306,861,861 bushels of 1950 grains under price support, either loan or purchase agreement up to end of December. Grains under loan (in millions of bushels) included wheat, 181; barley, 29; oats, 14; rye, 1; corn, 18; grain sorghums, 48.

\* \* \*

Wheat agreement sales January 17-23 totaled 5,010,000 bushels, about 40 per cent in the form of flour. Principal purchasers were Germany, Belgium, United Kingdom, and Cuba.

Bolivia's quota for year has been filled. Honduras has become an eligible receiving nation.

\* \* \*

Wilson E. Westbrook will be in Milwaukee, Wis., February 4-7, to attend the Wisconsin Seedsmen's Association Convention and to discuss the seed programs.



## MARKETING AND FACILITIES RESEARCH BRANCH

The Branch is continuing research into the use of a simple disc (sound) recorder to relay food orders from the office to the order room of a food wholesale warehouse. Tests so far indicate possibilities of saving time and cost in filling wholesale orders. A report is being prepared on the use of recording equipment in wholesale warehouse operations.

\* \* \*

The Branch expects to develop facts on the relative advantages of single story warehouses over multistory warehouses. Plans are under way to study operations of a wholesaler in Des Moines, Iowa, who now does business in a multistory building, but plans to build a new single story warehouse. He has offered the Branch the opportunity to study his present methods, has asked for suggestions on the design of his proposed warehouse, and will permit the Branch to study his future operations, thus providing valuable data for studying comparative costs and efficiency.

\* \* \*

A report on two new grocery check-out counters, "Redi-check" and "Simplex," has been issued by FMA. Both counters speed up check-outs by 38 per cent, and Redi-check makes possible more than 100 per cent increase by using additional personnel.

## LIVESTOCK BRANCH

Changes in grade names for calves and for dressed veal have been proposed. Changes correspond in general to changes made recently in grades for cattle and beef; combine Choice and Prime in new top grade to be called Prime; Good becomes Choice; top of Commercial becomes Good. Comments will be received until March 2.

\* \* \*

Meat production under Federal inspection during week ended January 27 was 377 million pounds, 5 per cent below preceding week, 16 per cent above year earlier. Hog, calf, and lamb slaughter down from previous week; cattle slaughter up 1 per cent.

## OFFICE OF PERSONNEL

Chief Maurice Ward, and Harold Gross, in charge of the Classification Section, Chicago, will spend this week on general personnel, and classification work in FMA offices at Columbia, Missouri, and other cities in that state.

## POULTRY BRANCH

Recent domestic donations of CCC dried whole eggs under Section 416 have reduced current holdings by 168,380 pounds, leaving approximately 67,900,000 pounds on hand -- all of 1950 vintage.

TOBACCO BRANCH

Price support for gum naval stores during 1951 was announced last week. Prices will be supported at 90 per cent of parity. Initial loan rate will be 50 cents per gallon on turpentine, and \$6.97 per hundred pounds on gum rosin, "G" grade or higher.

\* \* \*

J. J. Todd, Washington, will be in state offices in Columbia, Mo., Feb. 6 and Columbus, Ohio, Feb. 7-8, regarding tobacco quotas.

TRANSPORTATION AND WAREHOUSING BRANCH

C. G. Pulvermacher, Washington staff member, will be in Kansas City, Feb. 5-9, to discuss the food distribution program. John D. Granger will be in Kansas City, Lincoln, and Des Moines, Feb. 5-9; F. D. Butcher and A. L. Cumming will be in Columbus, Ohio, Feb. 5-9; and E. A. Ellison will be in Decatur, Ill., and Des Moines, Iowa, Feb. 5-9 -- all carrying out routine supervisory activities under the grain storage program.



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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois

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JUL 6 - 1951

U.S. DEPARTMENT OF AGRICULTURE

February 12, 1951

FOR ADMINISTRATIVE USE ONLY

MIDWEST INFORMATION SUMMARY

To: PMA Office, Midwest Area

From: John C. Baker, Chief, Midwest Area, Office of Information Services

ON THE CALENDAR

Tuesday, February 13	Kansas City. Poultry Fact Finding Conference
February 13-15	Grand Rapids. Michigan Allied Dairy Association
February 13	CHICAGO USDA CLUB. WEATHERMAN GORDON DUNN, Guest
February 13-16	PMA District Meetings in Indiana
Wednesday, February 14-17	Chicago National Wholesale Grocers Association
February 14-16	Chicago PMA Conference of Fruit and Vegetable (processed) District and State Supervisors.
February 14-15	St. Louis National Assoc. of Marketing Officials, Central Division
Thursday, February 15	Chicago Midwest Soil Improvement Committee
Thursday, February 15-24	Chicago National Canners Association
February 15	South Bend Milk price hearing
February 15-16	Kansas City Midwest Feed Manufacturers Association
February 15-16	Lansing, Mich. RMA Technical Committee
Friday, February 16-24	Chicago Cannery Machinery Supplies Assoc.
February 16-17	Des Moines. National Farm Institute
Saturday, February 17-24	National Future Farmers of America Week
February 17	Chicago National Association of Retail Owned Grocers.
Sunday, February 18-24	Chicago National Food Brokers Association
Monday, February 19-20	Chicago Directors of PMA Commodity Offices and Washington representatives
February 19-21	St. Louis National Peach Council
February 19	Chicago National Preservers Association
Wednesday, February 21	Chicago State PMA committeemen of Chicago area
February 21-22	St. Louis American Pomological Society
February 21	Madison American Dairy Assoc. of Wisconsin
Thursday, February 22	Washington's birthday. Official Holiday
February 22-23	Chicago National Pickle Packers Assoc.
Friday, February 23	Minneapolis Minnesota Turkey Growers Assoc.
Sunday, February 25-27	Minneapolis Minnesota Poultry, Butter, Egg Association

## SECRETARY'S STATEMENT ON FARM PRICES

Secretary Charles F. Brannan issued a statement on February 9 showing how farm prices stand in relation to the total economy. Excerpts:

Since the Korean outbreak, farm prices have gone up 21 per cent, compared with tin, 138; aluminum, 78; lead 50; chemicals, 27; textiles, 32 per cent. Farmers costs have gone to new record heights, but farm prices have not reached previous marks. Corporate profits, wages, average personal incomes are setting new records.

In the BLS figures on cost of living for the period June-December, food prices increased 5.3 per cent, clothing rose 6.2 per cent, house furnishings 10.6 per cent.

Most farm products are below parity. Those which are above parity, such as meat, are subject to same controls as non-agricultural commodities. Net income of farmers dropped from \$18 billion in 1947 to \$16.5 billion in 1948, to \$14 billion in 1949, and \$13 billion in 1950. Corporate profits after taxes rose from \$18.5 billion in 1947 to \$21.9 billion in 1950. Factory wages averaged \$1.24 per hour in 1947 and \$1.46 in 1950.

Food is a better bargain today than pre-war; the same diet that took 23 per cent of the disposable income 1935-39 can be bought today for 19 per cent of the average family's disposable income.

Prices of farm commodities have little relationship to consumer prices; the farmer gets about 30 cents out of a \$4.00 shirt; 3 cents out of a 16 cent can of tomatoes; 2-3/4 cents out of a 19 cent can of corn; about 10 cents out of a 20 cent quart of milk; 2-2/3 cents out of a 16 cent loaf of bread.

Some manufactured items go up in cost because production is being diverted to military goods; but agricultural prices go up, in spite of abundant production, because consumer incomes have increased.

Parity is the fairest available measure of equitable prices for agricultural products; parity never increases until after prices of goods bought by farmers have increased; when prices paid by farmers go down, parity goes down.

## CHICAGO COMMODITY OFFICE

Director George Bradley is spending this week in Indiana where he will discuss the procedures and regulations outlined in the new Handbook of the Uniform Grain Storage Agreement with representatives of the state and county PMA offices and country elevator operators, in a series of meetings starting at Indianapolis, February 12. In his absence, Assistant Director M. R. Livingston will be Acting Chief of the Chicago Commodity Office.

\* \* \*

C. E. Sullivan, chief of the Loan and Custody Section is meeting with Iowa State PMA committeemen in connection with CCC loan programs -- re-seal and current. At the same time, Joseph Hayes of the loan and custody section will discuss these programs with Ohio PMA representatives at Columbus, and George Charlot of the L & C section will meet with Michigan State PMA representatives at Lansing, Michigan.



OFFICE OF COMPLIANCE AND INVESTIGATION

John W. Clagett, Compliance Officer, returned to his office this week after attending the annual conference of the South Dakota State and County committeemen at Huron, February 8 and 9.

\* \* \*

A consent judgment amounting to \$27,948 plus court costs of \$47.04 was entered in favor of the United States Government in the United States District Court for the District of North Dakota on a civil complaint filed against Oswald Braaten and Hjalmar Braaten, of the Braaten Bros. Farms Co., Reynolds, North Dakota, in connection with a defaulted 1946 Potato Loan.

\* \* \*

COTTON BRANCH

Spot markets were inactive during the past week. Cotton futures markets remained closed. In spot markets there was light trading as merchants and shippers continued to cover against previous commitments. Export licenses covering 194,000 bales of cotton were issued from January 21 through February 5. As of February 5 only 878,000 bales of the interim export allocation of 3,496,000 bales remained to be licensed.

DAIRY BRANCH

A federal order was issued this week to regulate the handling of milk in the Springfield, Mo., milk marketing area, bringing the total number of Federal orders to 40.

\* \* \*

Wholesale butter prices at Chicago dropped a cent or more last week, closing at 69 1/4 - 3/4 on 93 score butter, 68 3/4-69 cents on 92 score, and 68 1/4 to 68 3/4 on 90 score.

\* \* \*

Price Support Purchases and Sales, through February 2:  
(Figures in Pounds)

Product	Purchases	Total 1950-51	1949-51 Purchases
	Jan. 29 - Feb. 2	Purchases 1/	Unsold as of Feb. 2
Butter A	--	84,125,815	{ 9,300,000 2/
Butter B	--	43,819,818	
Butter C	--	127,945,633	
Cheese	--	108,904,077	500,000 2/
Spray milk solids	67,500	257,541,093	{ 90,400,000
Roller milk solids	67,500	94,333,584	
		351,874,677	

1/ Adjusted for Contract Amendments

2/ Committed or offered for sale

(more)

DAIRY BRANCH (Cont'd)

<u>Product</u>	<u>Sales to Trade</u> <u>Wk. End. Feb. 2</u>	<u>1950-51 Sales to</u> <u>Domestic Trade</u>
Butter A	167,268	72,827,069
Butter B	48,998	50,803,344
Butter C	30,288	5,459,767
	<u>246,554</u>	<u>129,090,180</u>
 Cheese A	 2,838,272	 30,120,994
Cheese B	83,331	1,849,094
Cheese C	---	454,653
	<u>2,921,603</u>	<u>32,424,741</u>
 Spray milk solids	 1,246,170	 23,681,596
Roller milk solids	1,789,349	27,030,800
	<u>3,035,519</u>	<u>50,712,396</u>
 <u>Animal Feed</u>		
Spray	---	1,320,625
Roller	124,000	7,929,002
	<u>124,000</u>	<u>9,249,627</u>

DEFENSE ACTIVITIES

Prices:

The Food and Restaurant Division of the Office of Price Stabilization will be set up by John B. (Jack) Hutson, formerly Under Secretary of USDA and the first PMA Administrator. This price division includes more branches than any other in OPS, with nine branches listed: Fruit and Vegetable; Fats and Oils; Distribution; Grocery Products; Grain, Feeds and Agricultural Chemicals; Poultry, Eggs and Dairy Products; Meat and Fish; Slaughter Control; and Restaurant.

OPS has issued "questions-and-answers" statements to clarify the General Price Regulation, and will issue more -- answering "yes" to such questions as to whether (1) prices are frozen for each class in sales of veal to retail stores and chain stores at different prices; (2) the freeze affects food sold in cafeterias and restaurants; (3) spinach, tomatoes and lima beans are frozen when processed (exempt only when fresh); etc.

Construction:

Some 13 regional and 5 district offices of Commerce are now authorized to act on special hardship applications for commercial construction, instead of sending them to Washington for review.

Rubber:

NPA has notified manufacturers that, beginning Feb. 15, they should expect simplification of styles, types and colors in rubber production, and that, beginning March 1, the elimination or reduction of natural rubber in non-essential products.



## FATS AND OILS BRANCH

During the period January 19 -February 2, 1951, reported sales of linseed oil by CCC amounted to only 125,000 pounds, all for domestic use.

### Castor Bean Production and Procurement Program

On February 5, 1951, Secretary Brannan authorized, at the request of the Munitions Board, a program for domestic production and procurement of 1951-crop castor beans on 90,000 to 100,000 acres in the states of Oklahoma, Texas, California and Arizona. The program is designed to assure increased supplies of this commodity for the National Defense Program. Funds for the program have been committed by the Defense Production Administration.

CCC has been designated to carry out the program. In order to develop and formulate the program operation, a Washington meeting was conducted on February 8 - 9 between Washington representatives of PMA and CCC and representatives of the Trade, the Texas and California PMA Commodity offices, and the state committees of Oklahoma, Texas, California, and Arizona.

## FOOD DISTRIBUTION BRANCH

### School Lunch

Latest reports show that a record number of 8,665,200 children are now participating in the National School Lunch Program. This is 10.5 per cent higher than peak participation last year.

Oscar F. Beyer is in Washington this week attending a conference of area supervisors of FDB with other Branch officials. Walter Patterson will go to Cleveland, Wednesday through Friday to contact representatives of the food trade and industrial feeding concerns to acquaint them with the plentiful foods program.

## FRUIT AND VEGETABLE BRANCH

The recent freeze did considerable damage to the vegetables in the lower Rio Grande Valley and completely killed all winter vegetables in Louisiana.

Purchase of 1950 crop potatoes through February 6, 1951, totaled 31,228,392 hundredweight. Of this amount, 8,547,564 hundredweight went to livestock feed; 1,936,651 to Section 416; 4,292,333 to starch; 209,735 to flour; 62,305 to penal institutions; 4,399 to experimental use; 248,200 to export; and 15,927,205 hundredweight went to re-sale.

Purchases under the apple surplus removal program through the week ended February 3 totaled 830,053 bushels at an obligation to the Government of \$2,075,132.

(more)

## FRUIT AND VEGETABLE BRANCH (Cont'd)

Export subsidy programs through the week ended February 3 stood at:

Fresh apples, 1,285,668 boxes; \$1,548,226  
Fresh pears, 369,605 boxes; \$462,006  
Fresh oranges, 138,488 boxes; \$228,505  
Fresh grapefruit, 89,020 boxes; \$89,020  
Single strength orange juice, 71,925 cases No. 2's; \$75,046  
Single strength grapefruit juice, 77,803 cases No. 2's; \$69,086  
Single strength blended juice, 10,905 cases No. 2's; \$10,759  
Grapefruit sections, 6,482 cases No. 2's; \$8,426  
Concentrated orange juice, 754,041 gallons; \$1,093,358  
Concentrated grapefruit juice, 32,718 gallons; \$37,625  
Honey, 11,445,033 pounds; \$515,026

\* \* \*

Under its diversion program the Government, through the week ended February 3, 1951, had moved 80,000 pounds of honey at an obligation of \$3,000.

\* \* \*

Suggested acreages of vegetable and melon crops were announced last week. Suggestions call for 22 per cent more acres planted to vegetables for processing, with particular emphasis on sweet corn and tomatoes; 4 per cent more vegetables for fresh consumption, 5 per cent reduction in acreage of watermelons, compared with 1950.

\* \* \*

### Marketing Programs

Several amendments to Potato Marketing Order No. 60 governing potato marketing in Michigan, Wisconsin, Minnesota, North Dakota, and commercial counties of Iowa and Indiana went into effect Monday. They place the townships of Bovant, Franzen, and Elderon in Marathon County, Wisconsin in the southern zone for regulation under the order. Another amendment makes it possible for a handler to ship up to 50 hundredweight of potatoes a day without inspection. And shipment for potato chips may be made if the potatoes meet all grade and size regulations except those for sprouting and shriveling. Within the state or area of production, non-certified seed shipments must meet grade and size requirements except that Size B can be shipped under applicable safeguards.

\* \* \*

### Research and Statistics Division

Norman C. Healy, of the Washington office, will meet with representatives of the Wisconsin Agricultural Experiment Station, Tuesday to discuss a recently approved project on the relationship of grades of raw peas to the quality and yield of the processed product.

\* \* \*

S. R. Smith and M. W. Baker of the Washington office, will be in Chicago next Sunday and Monday to attend the convention of the National Cannery Association. Smith will speak on the canners' role in economic utilization of the national food producing facilities.

### Processed

Freeze and destruction of fruit and vegetable crops in the Lower Rio Grande Valley left 13 inspectors of Processed Foods division temporarily without assignment. They will be reassigned to food inspection principally for the military.

(more)



FRUIT AND VEGETABLE BRANCH (Cont'd)

Fresh Products

Neal Sanborn will attend a meeting of the technical committee of RMA in Lansing, Michigan, Thursday and Friday to review RMA research in this area on fruits and vegetables and consider projects for the coming year. V. H. Nicholson of the Washington office will attend the conference.

GRAIN BRANCH

Wheat sales under International Wheat Agreement, January 31-February 6, totaled 12,036,000 bushels. Principal buyers were Italy, Spain, Germany, and India. Wheat Council has approved India's request for an increase of 458,000 tons, bringing the total quota to 1,500,000 tons, or 55,116,000 bu. Most of the increase is assigned to U. S.

\* \* \*

Branch has bought 30 million pounds of 80 per cent extraction flour for shipment to Yugoslavia and Trieste. Most will go to Yugoslavia under emergency relief assistance. Thirty-three million pounds of de-germed corn meal for Yugoslavia also has been bought.

\* \* \*

Transportation difficulties helped to keep grain markets at about the same level last week, despite strong demand. Corn and oats increased 1-2 cents per bushel. Oilseeds advanced 10 to 12 cents per bushel.

\* \* \*

James W. Browning, Mkt. Spec., will attend the Midwest Feed Manufacturers' Association Annual Convention in Kansas City, February 13-18. Geo. A. Collier, Chief, Mkt. News and Services Div., will be in Baltimore, Md., Feb. 12 to confer with officials of the Baltimore Chamber of Commerce relative to procedure for obtaining daily grain quotations in Baltimore for use of Federal and State Market News Services. Albert R. Graf, Mkt. Analyst, will confer with State and County PMA officials and others in Minnesota, North Dakota, and South Dakota, Feb. 8-15, regarding feed production under Defense programs.

LIVESTOCK BRANCH

Packers have been invited to offer 12 million pounds of lard to be bought by PMA for shipment to Yugoslavia.

\* \* \*

Meat production for week ended February 3 was 291 million pounds, 23 per cent below previous week, 4 per cent below year ago. Reduction blamed principally on severe weather in Midwest. Cattle slaughter was down 17 per cent, hog slaughter down 28 per cent.

\* \* \*

Last week (ending February 9) livestock numbers increased, but so did prices. New record prices were set for steers, \$42.00 at Chicago and for lambs, \$38.75 paid at St. Paul. Dressed meat prices were close to ceilings as week ended, with substantial increases on all classes of meat at both Chicago and New York.

(more)

## OFFICE OF PERSONNEL

USDA Office of Personnel is recruiting technical workers in several fields for the technical assistance program under Point IV program, for overseas duty. Major fields include soils, forestry, crops, animal husbandry, pest and disease control, agricultural engineering, economics, marketing, and social science. Applications should be made to Office of Personnel, USDA, Washington 25, D. C.

\* \* \*

Si Levka, formerly position classifier in the Chicago Area Personnel office, has transferred to New York as officer in charge of the Classification Section, New York Area Office, effective February 12.

## POULTRY BRANCH

Chicago live poultry prices last week were up 3-7 cents on hens and about 1 cent on roasters and fryers. Hens sold at 37-41 cents, roasters 30-34 cents, fryers 28-30-1/2 cents. Wholesale egg prices at Chicago were unchanged to 1-1/2 cents higher than a week earlier. Late sales were 41-44 cents for large extras.

## SUGAR BRANCH

Report on sugar distribution shows total of 8,273,490 tons of sugar distributed in 1950, compared with 7,580,225 in 1945. Imports totaled 5,634,167 tons, approximately half from Cuba.

## TOBACCO BRANCH

Prices for crude pine gum delivered to processing plants during the week January 29 - February 3 were up 48 cents a barrel from the previous week. Prices averaged \$31.08 compared with last week's \$30.60. The 16 reporting plants received 3,345 standard barrels of gum or 209 barrels per plant.

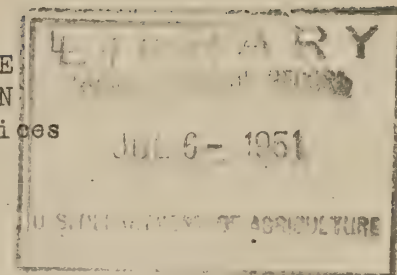
## ADMINISTRATOR'S OFFICE

Roy Lennartson and Frank Blood will attend the Poultry FactFinding Conference in Kansas City, Feb. 12 and 13. They will attend the meeting of the Central State Division of National Association of Marketing Officials in St. Louis, Feb. 14 - 15.



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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois



FOR ADMINISTRATIVE USE ONLY

February 19, 1951

MIDWEST INFORMATION SUMMARY

To: Midwest Area, PMA Offices

From: John C. Baker, Chief, Midwest Area, Office of Information Services

ON THE CALENDAR

Monday, February 19-24	Chicago - National Cannery Association	
February 19-24	Chicago - Canning Machinery Association	
February 19-23	Chicago - National Food Brokers Association	
February 19-24	Chicago - National Retailer Owned Grocers	
February 19-22	Chicago - National Bean Council	
February 19-20	Chicago - PMA Commodity Office Directors	
February 19-24	National Future Farmers of America Week	Guides.
Tuesday, February 20	Lincoln, Nebr.-Inter-Agency meeting on Acreage/	
February 20	Decatur, Ill.-Inter-Agency meeting on Acreage Guides	
February 20	Columbus, Ohio-Inter-Agency meeting on Acreage Guides	
Wednesday, February 21-22	St. Louis, Mo.-American Pomological Society	
February 21	Madison - American Dairy Assoc. of Wisconsin	
February 21	Chicago - PMA Commodity Office - 5 State Chairmen	
Thursday, February 22	WASHINGTON'S BIRTHDAY	LEGAL HOLIDAY
February 22-23	Chicago - National Pickle Packers Association	
Friday, February 23-24	Minneapolis - Minnesota Turkey Growers Assoc.	
February 23	Indianapolis-Inter-Agency meeting on Acreage Guides	
Sunday, February 25	Minneapolis - Minnesota Poultry, Butter, Egg Assn.	
Thursday, March 1 - 6	Chicago - BAE Conference of Agricultural Statisticians	
Saturday, March 3-11	National 4-H Club Week.	

### OFFICE OF THE SECRETARY

Reorganization of USDA was announced last Saturday, to carry out recommendations of Hoover Committee, and to mobilize USDA for defense. Nationally, conservation programs of PMA, SCS, and Forest Service will be co-ordinated under an Assistant Secretary. PMA conservation payments will be determined jointly. In each state, PMA chairman will bring together Extension Service, SCS, Forest Service, FHA to determine conservation programs; similar membership in State USDA Mobilization Committee.

In each county, similar committees formed, for conservation and for mobilization, with PMA chairman at head. County offices to be moved into same building soon as possible; extension services invited to join in consolidation. County offices instructed to remain open on Saturday, at least part day.

### OFFICE OF THE ADMINISTRATOR

State meetings to discuss acreage guides for principal crops are being held in Midwestern states. PMA state committees have called meetings, with representatives of Extension services, FHA, SCS, Forest Service participating. Each meeting is attended by Washington representatives of ACP and Grain Branches, and Office of Information Services.

### CHICAGO OFFICE OF COMMODITY

Conferring in a closed meeting in Director George Bradley's office Monday and Tuesday, were Elmer F. Kruse, Vice President and Manager; CCC: K. A. Brasfield, Controller of CCC and Director of PMA Fiscal Branch; M. J. Hudtloff, Director, Transportation and Warehousing Branch; Merrill J. Collett, Chief, Office of Personnel Services; and the directors of the other Commodity offices in the U.S. Meetings were devoted to program and policy matters.

\* \* \*

R. W. Hestrop, Chief, Fiscal Division, attended the regular meeting of the Illinois State PMA Committee and field representatives at Decatur, Monday.

### ADMINISTRATIVE SERVICES

Royce Dodge, Assistant Chief, spent last Monday at the Minneapolis Commodity Office on administrative matters.

### OFFICE OF COMPLIANCE AND INVESTIGATION

Joseph E. Garvey, dairyman of Kaukauna, Wisconsin, was fined \$500 in Federal Court in Milwaukee, after pleading guilty to making fraudulent claim for dairy production payments in 1944. Claimed payments for more milk than he actually produced.



## COTTON BRANCH

Cotton futures markets were closed for the third successive week. Only a very small volume of cotton changed hands during the week. Some reports indicated that prices ranged from about 50 to 150 points above the January 26 level when Middling 15/16 inch cotton averaged 44.49 cents per pound in the 10 spot markets. There have been no spot quotations posted by the principal cotton exchanges since cotton futures markets suspended trading on January 27.

\* \* \*

The International Cotton Advisory committee estimates world cotton production in 1950-51 at 27.2 million bales. This is about 4 million bales smaller than in 1949-50 and 3-1/4 million below the prewar world crop.

\* \* \*

Loan rates for 1951 cotton announced at 29.68 cents per pound for 7/8 middling cotton; other grades and lengths vary from this figure. The 1950 rate was 27.9 cents per pound. Loans represent 90 per cent of parity.

\* \* \*

USDA has offered to buy imported extra-long staple cotton to build up U.S. stockpile. Offer was made at request of Munitions Board and General Services Administration.

## DAIRY BRANCH

PMA's Dairy Advisory Committee met with Branch and Department officials in Washington on Tuesday and Wednesday of this week. Consideration was given to problems relating to (1) price ceilings on dairy products during the coming year, (2) the announcement of a price support program to meet the mandatory provisions of the Agricultural Act of 1949, and (3) the reduced manpower situation facing the dairy farmer.

\* \* \*

Price Support Purchases and Sales, through Feb. 9:  
(Figures in Pounds)

Product	Purchases Feb. 5-9	Total 1950-51 Purchases 1/	1949-51 Purchases Unsold as of Feb. 9
Butter A	---	84,125,815	(
Butter B	---	43,819,818	( 7,400,000 2/
Butter C	---	---	(
		127,945,633	
Cheese	---	108,904,077	500,000 2/
Spray milk solids	60,075	257,601,168	(
Roller milk solids	---	94,333,584	( 82,100,000
	60,075	351,934,752	

1/ Adjusted for Contract amendments

2/ Committed or offered for sale.

(more)

DAIRY BRANCH (CONT'D)

<u>Product</u>	<u>Sales to Trade</u> <u>Wk. End. Feb. 9</u>	<u>1950-51 Sales to</u> <u>Domestic Trade</u>
Butter A	2,589,863	75,415,228
Butter B	21,056	50,825,809
Butter C	23,403	5,483,171
	<u>2,634,322</u>	<u>131,724,208</u>
Cheese A	---	30,120,994
Cheese B	---	1,849,094
Cheese C	---	454,653
		<u>32,424,741</u>
Spray milk solids	1,617,137	25,268,910
Roller milk solids	756,542	27,744,742
	<u>2,373,679</u>	<u>53,013,652</u>
<u>Animal Feed</u>		
Spray	---	1,320,625
Roller	592,537	8,521,539
	<u>592,537</u>	<u>9,842,164</u>

\* \* \*

Ed Small, Regional Grading and Inspection Supervisor, will attend the 18th annual meeting of the Midwest Producers Creamery at South Bend, Indiana, on February 22.

Small recently was a visitor to the Fisher Cheese Company at Wapakoneta, Ohio, makers of processed cheese and cheese products, for a look-see at the service with began there on January 2.

\* \* \*

Chicago wholesale butter prices advanced fractionally last week, with top grade 93 score butter reaching a top of 70-1/2 cents per pound.

FATS AND OILS BRANCH

The Office of Price Stabilization announced February 12 specific ceiling prices for cottonseed, soybean, and corn oils, setting ceilings on these commodities below recent trading levels.

Ceiling Price Regulation 6 sets maximum selling prices at 23.5 cents per pound for crude cottonseed oil, Valley basis; 20.5 cents per pound for crude soybean oil, f.o.b. Decatur; and 24.5 cents per pound for crude corn oil at Midwestern mills.

The regulation places futures market ceilings at 20.5 cents a pound for crude soybean oil traded on the New York Produce Exchange and the Chicago Board of Trade; 26.4 cents for cottonseed oil futures on the New York Produce Exchange; and 25.95 cents per pound for cottonseed oil futures on the New Orleans Cotton Exchange.

(more)



## FATS AND OILS BRANCH (CONT'D)

Office of Price Stabilization said in CPR 6 that "A principal purpose of this regulation is to establish ceiling prices for cottonseed, soybean, and corn oils which will bear fair and proper relationship to the ceiling prices established by the General Ceiling Price Regulation for such important products as shortening, salad oils, margarine, salad dressing and mayonnaise."

## FOOD DISTRIBUTION BRANCH

A Plentiful Foods campaign on head lettuce will be conducted in the Midwest, beginning Thursday and rising to a peak in the period March 1-3.

\* \* \*

Walter Patterson is attending a meeting of the National Peach Council in St. Louis, Monday and Tuesday of this week.

\* \* \*

Plentiful Foods for March: head lettuce, potatoes, sauerkraut, canned or frozen citrus products, honey, eggs, frozen fish fillets, cottage cheese, peanut butter, dry beans.

## FRUIT AND VEGETABLE BRANCH

Purchase of 1950 crop potatoes through February 13, 1951, totaled 33,275,538 hundredweight. Of this amount, 9,076,715 hundredweight went to livestock feed; 1,993,570 to Section 416; 4,612,309 to starch; 220,600 to flour; 63,585 to penal institutions; 4,399 to experimental use; 279,700 to export and 17,024,660 to re-sale.

\* \* \*

Export subsidy programs through the week ended February 10 stood at:

Fresh apples, 1,345,789; \$1,620,754  
Fresh pears, 370,105 boxes; \$462,631  
Fresh oranges, 149,139 boxes; \$246,079.  
Fresh grapefruit, 89,035 boxes; \$89,035  
Single strength orange juice, 71,925 cases No. 2's; \$75,046  
Single strength grapefruit juice, 77,803 cases No. 2's; \$69,086  
Single strength blended juice, 10,905 cases No. 2's; \$10,759  
Grapefruit sections, 6,982 cases No. 2's; \$9,076  
Concentrated orange juice, 766,501 gallons; \$1,111,454  
Concentrated grapefruit juice, 32,718 gallons; \$37,625  
Honey, 11,938,593 pounds; \$537,236

Honey diversion and price support figures remain unchanged.

Apples purchased under the surplus removal program through the week ended February 10 totaled 905,827 bushels; \$2,264,567.

\* \* \*

USDA has proposed standards for broccoli for processing; for canned cranberry sauce; and revised standards for canned and frozen blueberries.

(more)

## FRUIT AND VEGETABLE BRANCH (CONT'D)

### Fresh Products --

Neal Sanborn, of the Fresh Products Division, and R. E. Keller, of Marketing Programs, will attend a 3 day national conference of managers of potato marketing agreements in Denver next week.

\* \* \*

### Processed Products -

Only two inspectors are still assigned to inspection in Texas, since the crops were cut short by the freeze there. One inspector, Don Ruble, has been assigned to pineapple inspection in Puerto Rico and others have been scattered to inspection points throughout the Midwest area.

\* \* \*

### Marketing Programs --

R. E. Keller spent several days last week working with FMA officials and officials of the Michigan State Department of Agriculture considering ways of replacing records which were destroyed or damaged in the fire which burned two floors of the Michigan State Office Building week before last. Some of the records, relating to inspection of fruits and vegetables, can be restored from comparable records in the hands of the state FMA committee located in another building in Lansing, and from the North Central Potato Committee, in Minneapolis.

\* \* \*

### Regulatory --

W. A. Hilgeson reports an increase in complaints involving liability for produce frozen in transit during the recent cold weather.

## GRAIN BRANCH

Prices of 1951 dry edible beans will be supported at average of \$6.90 to farmers. Price represents about 75 per cent of parity. The 1950 price was \$6.30.

\* \* \*

Wheat sales under International Wheat Agreement, January 31 to February 6, were 12,036,000 bushels. Principal buyers were Italy, Spain, Germany, and India. India's quota has been increased by almost 50 per cent to 55 million bushels; Ceylon's increased by 20 per cent to 6.6 million bushels.

\* \* \*

Daniel McGarry, Washington, is attending a meeting of the National Bean Council in Chicago, February 17-22. Judson A. Thompson, Washington, is attending a meeting of the National Advisory Committee on Dry Edible Beans to discuss packaging problems, in Chicago February 18-22. Peter Pauli and Dr. H. W. Youngman, Washington are meeting with representatives of the seed trade and seed process manufacturers in Cincinnati, Ohio, February 18-21.



## LIVESTOCK BRANCH

Meat production under Federal inspection, week ended February 10, was 282 million pounds, about 3 per cent less than previous week and year earlier. Bad roads and rail tie-up combined to reduce receipts. Cattle slaughter was up, but hog numbers were down.

\* \* \*

Two offers to buy lard were announced last week; 1,350,000 pounds for shipment to Okinawa, and 8 million pounds for Yugoslavia.

## OFFICE OF PERSONNEL

Chicago may play host to the Fifth Biennial Personnel Management meeting of personnel and administrative officials of USDA, this year. Henry Shepherd, Chief of the Division of Training, Office of Personnel, Washington, is in Chicago this week to study possibilities of holding this conference in Chicago for the first time.

\* \* \*

A total of 670 persons from PMA and FCIC offices at 623 South Wabash had chest x-rays taken by the Chicago municipal x-ray mobile unit last week.

## LIVESTOCK BRANCH (ADD)

Joseph Poskin and Edgar A. Gilbert, formerly of the Kansas City and Indianapolis P & S offices have been transferred to the Chicago District office headed by A. L. Lowery.

Assistant Supervisor Ben Platt visited the Peoria and Bushnell, Illinois, stockyards on a routine inspection tour this week.

\* \* \*

All classes of livestock were strong to higher at midwest markets last week. Meanwhile, wholesale meat prices which had previously been at or around present ceilings showed little or no change except for some weakness on lamb.

Slaughter classes of cattle generally closed strong to 50¢ higher for the week, with the steer top at a record high of \$42.50.

Hogs were largely 25 to 75¢ higher and generally the highest since last September. Tops at the various cornbelt terminals reached \$23.75 to \$24.10.

Slaughter lambs advanced mostly 50¢ to \$1.00 and to new record high tops of \$39.00 to \$39.50 at midwest markets.

## POULTRY BRANCH

An all-time record production of baby chicks reported this week by BAE for the month of January indicates that an adequate supply of broilers will be available from the major areas this spring. The seven principal producing areas placed 33,890,000 baby chicks last month - an increase of 26 per cent as compared with placements during January 1950.

Also destined for eventual placement in broiler houses is a major share of the February hatch, which, the report indicates will be substantially larger than last year.

The heavy output of broiler chicks last month and the potential supply this month may prove to be the start toward a nationwide increase in broiler and fryer production anticipated this year which may carry total output well above the all-time record production of 1950. Actual figures for 1950 production will not be available until March, but estimates are that 1950 output was some 15 per cent heavier than the 487 million head produced in 1949.

\* \* \*

L. J. Dolson, Regional Supervisor, is busy surveying poultry plants which have USDA grading service in an effort to bring them into compliance with new regulations by the May 1 deadline. He will visit plants in Illinois this week.

\* \* \*

Prices paid to shippers of live poultry at Chicago last week were irregular, declining 2 to 6¢ per pound on hens and advancing 1 to 2¢ on other classes. Tops reached 36¢ on heavy hens, 28-1/2 on light hens, paid early in the week. Roasters sold up to 35¢ and commercial fryers to 32-1/2, paid late in the period.

Closing Chicago wholesale prices of eggs were 3 to 7¢ higher per dozen than a week earlier, ranging up to a top of 50¢ on large extras.

## TOBACCO BRANCH

An average of \$30.98 was paid producers per standard barrel for crude pine gum delivered to processing plants during the week February 5 to 10. This represents a 10-cent a barrel decrease from the previous week's average of \$31.08.

## TRANSPORTATION AND WAREHOUSING BRANCH

Monthly cold storage report, as of January 31, showed cooler space 65 per cent occupied, 6 points above year ago; freezer space, 81 per cent occupied, same as month e arlier. There 2.4 billion pounds of food in coolers and 2.1 billion pounds in freezers.

Apples in storage were all time high for the date; frozen orange juice went up; frozen vegetables were about twice average stock for the date. Butter and cheese stocks showed heavier than usual withdrawal. Shell eggs in storage were less than 20 per cent of year ago. Beef holdings were below average, but pork holdings were greatest for the date since 1941.

Export movement of frozen poultry, fruits and vegetables, and fresh apples out of storage, and movement of shell eggs into storage during February.



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UNITED STATES DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION  
Midwest Area, Office of Information Services  
623 South Wabash Avenue  
Chicago 5, Illinois

JUL 6 - 1951

FOR ADMINISTRATIVE USE ONLY

February 26, 1951

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: John C. Baker, Chief, Midwest Area, Office of Information Services

ON THE CALENDAR

Tuesday, February 27 South Haven, Michigan Horticultural Society  
Wednesday, February 28 Hart, Michigan Horticultural Society  
Thursday, March 1 Traverse City, Michigan Horticultural Society  
March 1-6 Chicago, Agricultural Statisticians; BAE  
March 1 Centralia, Southern Illinois Agriculture-  
Industry Conference  
Saturday, March 3-11 National 4-H Club Week  
March 3 Chicago, Midwest conference of USDA agencies  
on re-organization, co-ordination of  
conservation and defense activities  
Monday, March 5-7 Washington, Conference of Fruit and Vegetable  
Inspection Supervisors  
Tuesday, March 6 Urbana, Illinois Milk Plant Operators' conference  
March 6 Lincoln, Nebraska Dairy Industry annual conference  
Thursday, March 8 Omaha, Pasture, livestock conference

OFFICE OF THE SECRETARY

Representatives of five major USDA agencies from 12 midwest states will meet with high ranking Washington officials at the Congress Hotel, Saturday, March 3, to discuss implementation of Secretary of Agriculture Brannan's recent directive reorganizing the conservation and research activities of the Department, and mobilization of U. S. agriculture for defense.

The Washington delegation will include Under Secretary Clarence J. McCormick; PMA Administrator Ralph S. Trigg; Harold K. Hill, Assistant Administrator for Production; Robert W. Herder, Assistant Administrator for Program Coordination; and top officials of the Farmers Home Administration, and the Soil Conservation, Forest, and Extension Services.

About 150 regional and state officials of the five agencies in the midwest (including Kansas) have been invited to the meeting. The morning session will be devoted to discussion of a program coordinating the conservation activities of the Department. The afternoon session will discuss organization of state and county staffs to carry out the Secretary's directive for mobilizing agriculture for the nation's defense in the current emergency.

The Chicago meeting is one of four scheduled for the purposes outlined above. Others will be held at Memphis, Tennessee, February 27; Salt Lake City, Utah, March 1; and New York City, March 7.

### COTTON BRANCH

Spot cotton markets remained generally inactive this week, although there were more inquiries than at any time during the past three weeks. Offerings of most qualities were light. It was light trading, with merchants and shippers buying to complete commitments but little new business.

Mill consumption per working day increased in January to 42,500 bales as compared with a daily rate in December of 41,300 bales and 37,400 bales for January a year ago. Domestic mills consumed more than 1,040,000 bales in the first five weeks of 1951. Consumption for the first 6 months of the current season was about 5,445,000 bales as compared with 4,333,000 for the same period last year.

Mill stocks of cotton increased for the 6th consecutive month, amounting to 2,253,000 bales on February 3 as compared with 1,999,000 bales a month earlier, and 1,750,000 bales on the same date last year.

Production of rayon for the United States totaled 1,259.4 million pounds in the calendar year 1950, the textile economics bureau reports. This was the second time in the history of the industry that annual production has exceeded a billion pounds.

### OFFICE OF COMPLIANCE AND INVESTIGATION

Special Agent Ralph R. Aiken was painfully injured in an auto accident near Clare, Michigan, February 16, while on a field assignment. He was hospitalized for four days after his car was struck by another on a stretch of ice covered pavement near the Michigan town.

### DAIRY BRANCH

Chicago D & P laboratory has welcomed Mrs. Beverly Enwall as the newest addition to its staff. Mrs. Enwall has several years experience in chemistry and microbiology.

\* \* \*

Chicago wholesale butter prices declined 1 to 1-3/4 cents per pound last week with late prices up to a top of 69¢ per pound for 93 score stock. Week's top was 70¢ paid early in the period.

\* \* \*

USDA has recommended changes in Cincinnati milk marketing order which would prevent drop in price for Class I and Class II milk until May 1, 1951, and would increase price of Class III milk during October-February. Opinions will be received by Dairy Branch, Washington, until March 5. Approval by two-thirds of producers will be necessary before recommended changes can be made.

### FATS AND OILS BRANCH

To secure the planned acreage under the 1951-crop castor bean program, CCC will offer contracts to farmers in the near future.

(more)



FATS AND OILS BRANCH (Cont'd)

Three or four receiving and storage centers will be operated by CCC in Oklahoma and Texas, in addition to centers operated by a private company, which it is contemplated will be under contract with CCC.

Mr. Herman M. Young, Fats and Oils Branch, PMA, during a recent trip to Oklahoma City, Oklahoma, reviewed with industry and farm representatives some of the problems and needs connected with program operations. As a result of Mr. Young's meetings a contract is now in process between CCC and the Boardman Company of Oklahoma City to furnish CCC with 30 or 60 castor bean stripper harvesters for delivery by the end of August, 1951. In addition, a list of materials and machinery requirements has been written up for the construction of receiving and storage centers. To assure proper facilities for handling the fall harvest, Defense Rated Orders will be requested for the construction.

FOOD DISTRIBUTION BRANCH

Floyd Tuchscher spent Monday in St. Louis discussing food trade problems. Jeanette Hampton and John Janus are in Des Moines, Iowa and Ina Morris and Jack Means, in Jefferson City, Missouri, this week to make comprehensive reviews of school lunch and direct distribution programs and field visits to schools and commodity warehouses in both states. Dennis M. Doyle, of the Washington office, is accompanying Chicago staff members on the Missouri trip. Hal Bolin met with Stelle Graff and his field staff at Springfield, Illinois, Monday to discuss plans for five area meetings on food preservation; Bolin attended a preliminary planning meeting at Decatur last Wednesday.

\* \* \*

Direct Distribution

As of the close of business, February 14, 1,986 cars of apples had been placed for distribution against a total purchase authorization of 2,730. However, only a total of 1,132 have been shipped as of this date. Cold weather and the rail strike delayed purchases and shipments, and additional delays are expected for approximately 10 days. Due to a continuing weaker apple market, additional varieties have been added to those for which purchases have been authorized. These include Golden Delicious and Stayman in the States of Delaware, Illinois, Maryland, Michigan, New Jersey, Ohio, Pennsylvania, Virginia, West Virginia, and Wisconsin. Distribution is being made to schools and to institutions.

\* \* \*

Food Trades

The lettuce merchandising program, postponed because of recent shipping difficulties is now in progress. The trade and other informational outlets are complying with requests from growers for assistance in calling consumer attention to plentiful lettuce supplies. Peak trade promotion is scheduled for March 1-3.

FRUIT AND VEGETABLE BRANCH

Purchase of 1950 crop Irish potatoes through February 19, 1951, totaled 35,283,766 hundredweight. Of this amount, 9,497,160 hundredweight went to livestock feed; 2,059,202 to Section 416; 4,930,429 to starch; 239,615 to flour; 63,585 to penal institutions; 4,399 to experimental use; 283,700 to export; and 18,205,676 to re-sale.

\* \* \*

(more)

## FRUIT AND VEGETABLE BRANCH (Cont'd)

Plans have been completed for the export of 99,000 sacks of potatoes to Israel from Maine. This is the second cargo exported to Israel.

\* \* \*

Purchase of fresh apples under the surplus removal program through the week ended February 17 totaled 1,136,339 bushels at an obligation to the Government of \$2,727,213.

\* \* \*

Export subsidy programs through the week ended February 17 stood at:

Fresh apples, 1,591,580 boxes; \$1,875,477  
Fresh pears, 351,607 boxes; \$439,508  
Fresh oranges, 186,295 boxes; \$307,386  
Fresh grapefruit, 89,087 boxes; \$89,087  
Single strength orange juice, 76,525 cases No. 2's; \$79,876  
Single strength grapefruit juice, 81,054 cases No. 2's; \$71,930  
Single strength blended juice, 10,905 cases No. 2's; \$10,786  
Grapefruit sections, 7,282 cases No. 2's; \$9,466  
Concentrated orange juice 773,991 gallons; \$1,122,286  
Concentrated grapefruit juice, 32,718 gallons; \$37,625  
Honey, 11,954,973 pounds; \$537,973.

\* \* \*

### Fresh Products --

Conferences to promote uniform procedure in grade interpretation in terminal offices will be held in this, the Central District, in March. One conference will be at Chicago, March 17-18, and the second at New Orleans, March 31-April 1. That at New Orleans will be attended by Neal Sanborn and E. L. Biddick, of the Chicago office. Both men will go to Washington next week also for a conference on national problems affecting the service of the division.

## GRAIN BRANCH

Wheat prices declined 6 to 8¢ per bushel during the past week ended on Thursday, but feed grains and oilseeds closed about in line with a week earlier. Corn and barley, in fact, were slightly higher.

Contributing to the decline in wheat prices was the receipt of much needed moisture in the dry areas of the winter wheat belt. Other factors were the larger marketings by growers as a result of recent price advances, more favorable news from the Korean front and the recent withdrawal of export subsidies on wheat.

\* \* \*

Exports of grain and grain products during the seven months, July 1950-January 1951, amounted to 269 million bushels, compared with 323 million in the similar period a year earlier. About 38 per cent went to ECA countries, principally in Western Europe; 27 per cent went to Germany and areas occupied by U.S. in the Pacific; 23 per cent went to Brazil, Canada, India, and Mexico.

(more)



## GRAIN BRANCH (Cont'd)

Sales under International Wheat Agreement during week ending February 20 amounted to 791,000 bushels of wheat, all in form of flour; none sold as grain.

\* \* \*

Rice Advisory Committee of USDA, meeting in Washington February 19-21, recommended more research on: control of insects in rice, drying and storage, supplies of rice at retail and consumption habits by areas, packaging, improved processing to insure more uniform results in cooking.

Washington travel: Phillip Talbott will attend the Annual Conference of the American Society of Bakery Engineers in Chicago, March 1-8. Charles G. Graves will attend the Distillers Feed Conference in Cincinnati, Ohio, March 14-16. Henry M. Crosswhite, will confer with Grain Branch personnel regarding procedures for administering certain Grain Branch programs, in Chicago, March 9-18.

## LIVESTOCK BRANCH

Midwest markets were weak to \$1.00 lower on slaughter cattle last week, including declines of mostly 50¢ to \$1.00 on fed steers and yearlings. Stockers and feeders closed steady to 50¢ off for the period. Carlot steer top was \$41.75, with heifers up to a peak of \$37.50.

Contracting of cattle continued active in the far western states, but was limited in most other range states. In southwest Texas, mixed calves sold at \$34.00 to \$35.00 for October delivery, 700 pound feeder steers at \$35.00 for March delivery and heifer calves at \$35.25 for fall delivery. A string of heifer calves was purchased in Texas for current delivery to Northern Colorado at \$35.00 to \$37.00 per cwt. Many aged cows sold in southeastern Colorado at \$265.00 to \$330.00 per head for unspecified delivery.

Hog prices at Corn Belt terminals closed 50¢ to \$1.00 lower than a week earlier with late sales of good and choice 180 to 300 pound butchers reported from \$21.50 to \$23.25. Prices continued weak to lower on Monday this week.

Slaughter lambs declined mostly 50¢ to \$1.00 from the all-time high levels recently, losing as much as \$1.50 at Chicago. Late sales of good and choice woolled lambs still were up to \$39.25 at E. St. Louis, \$39.00 at Indianapolis and \$38.65 at Chicago, while ranging from \$37.50 to \$38.50 elsewhere. Week's top was \$39.50.

Contract sales of lambs in Oregon, for delivery in September and October, ranged from \$30.00 to \$32.00. Many New Mexico sheepmen are said to be refusing bids of \$30.00 for their lambs for fall delivery. Some 1,500 head of black face yearling ewes brought \$29.50 per head in Texas, for May delivery.

\* \* \*

G. E. Rodda, Livestock Market News Reporter in St. Joseph, Mo., has been named chairman of the Livestock Committee of the St. Joseph Chamber of Commerce. In this position, he will have responsibility for a half dozen annual livestock events in St. Joseph. Recently has talked on market news to seven groups of G.I. students taking on-the-farm training from different parts of Missouri; has two more such talks scheduled this week.

\* \* \*

Roy Wilkerson, of the Market News staff in St. Joseph, Mo., has been transferred to Stockton, California.



## PERSONNEL MANAGEMENT DIVISION

John Hays, Employment Chief, is visiting the University of Illinois and Purdue University this week to acquaint faculty members and students with possible PMA personnel needs. He will also attempt to recruit some Industrial Specialists for the Office of Materials and Facilities in Washington.

On last Wednesday the entire Personnel Management Division got together to hear John Baker explain the highlights of PMA's Price Support programs. It is planned to follow this session with others in which PMA officials will discuss various programs. If other offices would like to arrange similar group sessions, the Personnel Management Division will be glad to assist in arranging a series of discussions.

\* \* \*

## POULTRY BRANCH

The Office of Price Stabilization has decreed officially that prices of baby chicks and turkey poults are not frozen under the recently issued pricing order. Earlier interpretation of the order indicated that the price freeze applied to chicks and poults, but this was changed by official interpretation.

Poultry Branch officials are working with hard-pressed OPS officials in ironing out other difficulties connected with the status of poultry and egg products under the pricing regulation. Immediate problems requiring solution include a determination as to what stage in the marketing system shell eggs are to be considered as "processed" if at all, and whether specialty poultry such as guinea fowl and pigeons should be under ceilings.

\* \* \*

L. J. Dolson, Regional Supervisor in charge of inspection and grading, is in Ohio this week to survey poultry plants with USDA grading service. The survey is aimed at bringing these plants into compliance with new regulations by May 1.

\* \* \*

Prices paid to shippers for Chicago deliveries of live poultry last week closed 1/2 to 1¢ lower than a week earlier on hens, unchanged on light hens and roasters, and 1 to 2-1/2¢ higher on commercial fryers. Week's top was 35¢ on heavy hens, roasters and fryers, with light hens topping at 27-1/2.

Chicago wholesale egg prices gained 1/2¢ to 1¢ per dozen on most grades and sizes. Week's sales were made up to 50-1/2¢ on large extras, 47-1/2 on medium extras, 46¢ on Standards and 44¢ on current receipts.

\* \* \*

Frank J. Santo, in charge of Dairy and Poultry Inspection Service, Des Moines, addressed the Minnesota Turkey Growers annual meeting twice last week, covering USDA regulations as they affect the turkey industry; and on Sunday talked to the annual convention of the Minnesota Poultry, Butter, and Egg Association on regulations concerning processing of poultry.

\* \* \*

## SUGAR BRANCH

Sugar distribution since January 1 up to February 17, has been just over 1 million tons, compared to 831,000 tons during the comparable period a year ago.

## TOBACCO BRANCH

Frank R. Ellis, Washington, will be in Madison, Wis., Feb. 28 and March 1 on marketing quotas.

## TRANSPORTATION AND WAREHOUSING BRANCH

Washington travel: W. S. Earp is to be in the Indianapolis area Feb. 26-March 3 to assist in the examination of grain facilities licensed under the Federal Warehouse Act. A. L. Cumming, F. D. Butcher, and J. D. Granger are making routine field supervisory trips in Columbia, Mo. and Decatur, Ill. in connection with Grain Storage Facilities Program.

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